



THE INDEPENDENT

No. 3,172

THURSDAY 19 DECEMBER 1996

WEATHER: Cloudy with rain

(IR45p) 40p

No Eating
No Colouring
No Praying

THE TABLOID
DeVito
does
Dahl

NEWS
Lara's
theme
PAGE 3

COMMENT
Richard Dawkins:
an atheist at
Christmas PAGE 17

Boom time ... but not for Tories

Anthony Bevins
Political Editor
Diane Coyle
Economics Editor

The Government yesterday used a record-breaking fall in the jobless total to claim that the economy was roaring ahead. But Kenneth Clarke promptly cast a cloud over the good news with an outspoken attack on the Tory Euro-sceptic myth-makers.

Illustrating the central Conservative frustration that the party's deep political divisions on Europe divert electoral attention from the Government's success in curbing unemployment and inflation, the Chancellor directly challenged the dissidents within his party.

Earlier, ministers fell over each other to welcome a record-breaking plunge in the number of people claiming unemployment benefit, and a fall in the headline jobless total to below 2 million for the first time in almost six years.

John Major, on a visit to Northern Ireland, said: "Britain's economy is now the lion that roars in Europe."

But Mr Clarke delivered a lecture in which he protested about the doubts that continued to nag away at EU membership. "Today, we are becoming prey to a mythology that we joined only an economic community, with no serious political dimension, and that the purpose of our membership was uniquely economic," he said in a lecture at the Royal Institute of International Affairs in London. "That is not the case." Mr Clarke said former Tory premiers Harold Macmillan, Sir Alec Douglas Home and Edward Heath had all argued that membership would enhance the political standing of the UK.

He added: "Europe offers us a growing opportunity to excel economically, and the best is yet to come." However, he warned: "Our continuing and future economic success, exploiting the opportunities of our enterprise economy, depends to a significant degree on Britain being and staying a key player in the politics of our Continent."

At a press conference on the latest jobless total, for last month, Mr Clarke was one of six ministers playing Santa Claus. They said Britain's jobs performance was the best in Western Europe. Growth was strong and sustainable, the Chancellor said, adding: "And

I'm glad to say it has given more jobs to more people in time for Christmas." He said voters would have to ask themselves whether they wanted to risk a change to Labour's economic policies.

Ian Lang, the Secretary of State for Trade and Industry, said the advantages of the UK's flexible and efficient labour market would be threatened if a Labour government signed up to the EU's Social Chapter and introduced a minimum wage.

Michael Heseltine, the Deputy Prime Minister, said

“Europe
The best
is yet to come”
KENNETH CLARKE



other European countries would take a lead from Britain. "Confidence in the British economy is growing and growing," he said.

The number of unemployed benefit claimants fell by 95,800 in November, the biggest monthly fall since the early 1960s. The headline figure was swelled by at least 25,000 with the introduction of the Jobseeker's Allowance, and Gillian Shephard, Secretary of State for Education and Employment, conceded that unemployment would not be falling as much

as a country." Mr Clarke said, "we cannot choose to live by the European market-place economically and then exclude ourselves from the discussion of the political future of our continent.

"That is the path of those who would seek British withdrawal from the EU, or a fundamental renegotiation of our membership terms. It is one which we rightly reject."

Madonna: 'I identify with Eva Peron - she had the courage to make something incredible out of her life'

Photograph: Andrew Buurman

And then we kissed

David Lister
Arts News Editor

She might come and live in London, she will definitely have more babies, she prepared for her death scene in *Eva* by reading the *Sun*. Madonna and child swept into London and, with baby Lourdes Maria safely tucked up in bed, man gave a press conference.

She was only two hours late, which puts her just under the top division of Hollywood actresses. But her pink lipstick was rather endearingly smudged on her teeth, which showed the raw, rock artist beneath. A shrewdly calculated amalgam of styles.

It took Sir Andrew Lloyd Webber to divert attention with a curt reference to his erstwhile partner, *Eva's* lyricist, Sir Tim Rice, who was absent: "I don't know where he is today. I just

feel it's important to be here to show my endorsement of the very hard work people have done. And I am sorry he is not here."

And very hard work it evidently was. "We endured blistering heat and bone-chilling cold," recalled Madonna. "We witnessed political uprisings and scathing media attacks." Who'd be a movie star?

"I identify with Eva Peron on several levels," she informed us. "The fact that she came from a small town and came from nothing and got to the big city and had the courage to make something incredible out of her life, and people were either incredibly for or against her."

The *Independent* tried to catch her afterwards for a *de rigueur* pop-star interview, to garner her views on Europe and the political scene. But she merely proffered a hand to be kissed. I was glad to oblige.

QUICKLY

Minister criticised

The minister for the environment, Sir Paul Beresford, is expected to be strongly criticised by a report from the district auditor into the sale of council houses in the Tory flagship borough of Wandsworth in south London, where he was the leader until 1992. Page 3 r

Basham libel win

Public relations consultant Brian Basham won £20,000 libel damages plus damages, over a book about the bitter war between British Airways and Virgin Atlantic which he said depicted as a professional liar. He worked for BA. Page 5

MP steps aside

The Tory MP Sir David Mitchell is to stand down as a member of the Commons committee investigating the cash for questions scandal because his son, the former whip, Andrew Mitchell, is to be called to give evidence to it. Page 2

Party hostage terror in Peru

Phil Davison
Latin America Correspondent

Well-armed left-wing guerrillas were holding at least 200 politicians, ambassadors and top businessmen hostage last night in Peru. They threatened to kill them all and then themselves, after a daring assault on a diplomatic Christmas party at the Japanese ambassador's residence in Lima.

The 20 or so masked guerrillas of the Tupac Amaru Liberation Movement (MRTA) were demanding the release of up to 500 group members and said they would start the killing with Peru's Foreign Minister Francisco Tudela, if President Alberto Fujimori did not show up personally to hear their demands. A first deadline for killing Mr Tudela at 20 minutes after mid-day (5.20pm GMT) yesterday, passed without confirmation they had carried out the threat. No shots were heard although a shot and an explosion were heard earlier.



Free: Some women were allowed to go

Photograph: AP

"We are clear. The liberation of all our comrades, or we die with the all the hostages," one rebel told a local radio station by phone. Another described the hostages as prisoners of war.

Foreign governments urged Mr Fujimori, known for his tough line against guerrillas, not to contemplate a military assault. Spanish Prime Minister Jose Maria Aznar said an attack would lead to a "massacre". At the same time there were un-

confirmed reports that anti-terrorist commandos in several countries were on stand-by to fly to the Peruvian capital.

Asked whether the US had been asked to send a hostage rescue team - there were said to be seven Americans in the building - a White House spokesman, Mike McCurry, replied: "I'm going to decline to comment on that." Britain's ambassador, John Illman, had just left the reception but at least

CONTENTS

The Broadsheet	18-20
Business & City	15-17
Comment	10-14
Foreign News	14
Gazette	2-9
Home News	14
Law Report	14
Leading Articles	15
Letters	15
Obituaries	14
Shares	21
Unit Trusts	22
Sport	23-26
The Tabloid	23
Arts Reviews	23
Dilemmas	8
Education	10-13
Film	4-6
Games	26
Graduate Plus	19
Listings	24, 25
TV & Radio	27, 28
Weather	26



51

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Christmas present: Lavish gifts tempt the less-well-off as computer heroine sweeps games giants off the board

Poorest pockets buy the biggest toys

Louise Jury

People living in Britain's poorest areas are expected to spend the most on toys, games and computers this Christmas, according to new market research.

Families in the top toy-buying districts may spend twice that of the richest boroughs in the country. The national average is £76 for every child.

The estimated figures, based on a new household income survey, PayCheck, by market analysts CACI, show the three highest spenders all have a high incidence of low earners, single parents and unemployment.

In real terms, people in Knowsley near Liverpool, Halton, near Widnes, in Cheshire, and Easington, Durham – ranked as Britain's poorest district – spend up to three times more as a proportion of their income than the more affluent areas, CACI claimed.

"Despite vastly different levels of wealth, families in the poorer districts appear to be spending more on toys per child than those in the richest districts," a spokeswoman said.

Barbie and Action Man, the joint top-selling toys this Christmas, cost around £25 for the Action Man Crime Buster and £19 for the Barbie Strolling Sisters. The Pre-Computer Power Pad, an electronic learning aid at number four in the charts, retails for around £90. Monopoly, which came to Britain in the mid-1930s, is the favourite board game at around £11.50.

Neither child experts nor toy retailers were surprised at the statistics, which confirm previous findings by market analysts.

Gerry Masters, of the British Association of Toy Retailers, said the phenomenon was well-known in the industry. In the East End of London, he said, he could remember seeing very large toys which were not on sale in more affluent areas. "I was told they liked big presents," he added. Similarly, in Liverpool during strikes, Fridays were seen as good days by toy stores because that was when the mothers received their allowances and would spend on the children.

In comparison, a shopkeeper in Richmond, Surrey, said:

Season's spending, how much for the children?

wealthy boroughs always complained he had to struggle to make a living, Mr Masters said. "The parents have got school fees. Although they will spend on toys, they won't buy as many and they will be more selective. They will get something which is worthy and not be lavish."

The irony was that if children are left on their own in a toy shop to choose, they would often go for something simple. "Money is not what interests them," Mr Masters said.

Eileen Hayes, parenting adviser to the National Society for the Prevention of Cruelty to Children, said the spending was a form of compensation. "It's all very well," she said, "if you've had everything you need to make the decision that you don't have to buy all these things for your children. But if you haven't had the advantage then it's still an aspiration."

"You find the same with spending on baby goods – [the poorer families buy] the most expensive pram. In general, the middle-class and more well-off don't mind having second-hand things, whereas poor families stretch themselves."

But Mrs Hayes said the commercial pressure could be resisted. "Don't feel guilty if you can't give your children material things, because what they need is your love and your time. The rest is definitely secondary."

Sally Witcher, director of the Child Poverty Action Group, said she would not accept the CACI figures at face value. But she said: "There is ample evidence that income support is inadequate at the best of times and at Christmas even more so. What it means is people make choices about what essentials they're going to spend on."

John Alexander of the Keep Sunday Special campaign, which has been alarmed by the commercialisation of Christmas, added another warning note. "What concerns us is all the families being pulled apart by the demand and pressures of having to go and work in the shops. In many cases, dad will be working on Christmas Eve and then back on Boxing Day to get ready for the sales."



Virtually real: Lara Croft, the pneumatic 3-D star of the screen game Tomb Raider, which has had rave reviews in computer magazines. *Supplied by Sony*

Girl-raider set to take over games world

Charles Arthur
Science Editor

Lara Croft may look like your average gun-totin' Barbie-shaped tomb-exploring British-written computer hero, but she could have two significant effects on the world as it remains computer freaks know it.

First, this heroine from the computer game Tomb Raider, available for the Sony PlayStation, could give Sooy pole position over Nintendo and Sega, the two companies usually thought of as dominant in video games.

Secondly, she could overturn a decade of video games in which the central action figure has always been male – just like the vast majority of their players.

Ms Croft, of indeterminate age, was created by a team at Derby-based Core Design. In Tomb Raider, she is never off the screen, in her role as an explorer searching for an ancient artefact called the Scion in the

undiscovered Tomb of Qalope in the Peruvian mountains, which apparently contains wolves, lions, bears, monkeys, bats, crocodiles, rats, primas and dinosaurs.

The highly detailed three-dimensional experience of the game has helped the £200 Sony PlayStation, released last year, rocket towards the top of the

sales charts. Sony claims that this year it has sold more than £600m worth of hard and software for the machine, and a total of 10 million of the consoles, 2.4 million of those in Europe.

Tomb Raider, which is sold separately, costs £45, but the rave reviews it has received in games magazines has boosted Sony's fortunes.

The success of Tomb Raider will also hit Nintendo, which had hoped for a worldwide launch of its next generation of machine, the Nintendo 64, last summer, but instead was only able to launch it in the United States and Japan. A European launch is scheduled for next March, though Nintendo admits that

Tomb Raider – which one review described as "an exceptional experience that you will never forget" – will probably not be available for the Nintendo 64.

Instead, it will offer an older, familiar character – the moustachioed New York Italian plumber, Mario, whose latest adventures form one of only four games that will be available for the Nintendo 64, compared to about 200 for the PlayStation.

But will game players who have experienced Tomb Raider be willing to go back to a hero who is clearly overweight and middle-aged, after the pneumatic, cave-diving Ms Croft?

"We might be the witnesses of a new generation of action games with women as main characters," said Frederick Claude, in an early review. Why?

"In essence, the answer is the following: since we must watch the action during the whole game, it is much more pleasant to look at a woman." As some might say – a giant step for Sony, a tiny step for feminism.



Toy rockets to cosmic price at auction

A Newcastle factory worker, Harry Meers, yesterday paid more than three times the retail price for a Buzz Lightyear toy – a Christmas surprise for his daughter. But it was only after he spent £94.10 for Tyneside's only example of the plastic space man – bought nine months ago for £26.95 – that he realised it would be no surprise.

The auction of the toy attracted so much media attention he realised his 13-year-old daughter, Amber Elizabeth, was bound to find out in advance.

Robo-moth solves the mystery of 'impossible' flight

Charles Arthur
Science Editor

Why can insects such as the bumblebee fly? The answer has been solved by a team at Cambridge University, helped by a robot hawkmoth, and it may surprise aeronautical engineers – while leading to the design of a new generation of helicopters and propellers.

According to standard laws of aerodynamics, insects' wings are too small to lift their comparatively huge bodies. But clearly, insects do fly – which led Charles Ellington, of the university's department of zoology, to decide to pin down the answer once and for all.

First, he studied the wing motions of a hawkmoth in an air tunnel, by blowing smoke over it while it flapped its wings.

Then, he built a robotic version, designed to have exactly the same wing motion, but five times larger.

The robot used four servo motors and an elaborate gearbox to drive the movements of the wings, which were made of a framework of rigid and flexible brass tubes, covered on both sides with black elastic cloth. Smoke was used to illustrate the air flow forces on photographic images.

Scientists had previously thought that the missing link in the aerodynamic equation – the extra lift required to keep an insect aloft – might be generated by "rotatational lift", through the twirling of the wings as they flap.

But Professor Ellington reports today in the science journal *Nature* that the extra lift needed to keep the moth aloft is generated during the wings' downstroke, when a spiral vortex of air travels across the leading edge of the wing, from base to tip. The vortex, a region of swirling air, creates a region of low pressure which sucks the wing upwards – creating lift.

The vortices form a complex pattern of loops and spirals which spin away from the wings. Just as one vortex dies out – which would lead to stalling, and cause an earthward plunge – another begins at the body, reinforcing the lift.

Professor Ellington called the process of flying by this method "dynamic stalling": "This is so unlike what we had expected all along that this is a shock, really."

The findings could probably be applied to helicopter and propeller design, as those also use vortices to create lift.

"It's something we are going to start looking at," Professor Ellington said. "It's a way to get something like two or three times more lift."

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9 pence per minute to listen to answerphone messages.¹ This is four times less than any other national mobile network.² No additional costs.³ No small print.⁴

news

BBC funds defeat as licence fee is pegged

Marianne Macdonald
Media Correspondent

Television viewers can look forward to a minimal increase in the cost of the licence fee over the next five years after the BBC lost its battle to persuade the Government it needed more funds.

The corporation lobbied hard to persuade Virginia Bot-

tomley, the Heritage Secretary, that it needed more than the usual inflation-pegged price increase to pay for the huge costs of launching digital television next year.

But Mrs Bottomley herself came under Treasury pressure to resist even an increase pegged to inflation with the election looming next spring.

Yesterday, she announced

the compromise solution of denying the BBC its proposed "modest increase" to the present £39.50 fee, but agreed a five-year formula which would see it rise by just below the rate of inflation, now 2.1 per cent.

Over the period to 2002, DNH says the licence fee will rise by 0.08 per cent below the retail price index, so if inflation stays at its current rate the fee

will never reach the magic £100 figure in that time.

The settlement means that the licence fee will rise to £39.50 next year. The year after, it will rise by 3 per cent above inflation to help cover the cost of launching digital television next October.

However, it will dip back in the final two years of the settlement to 1 per cent below in-

flation in 2000, and 2.5 per cent below inflation in 2001.

The decision follows a report from independent consultants Braxton Associates which argued that the BBC could make further efficiency savings and was expecting a cash boost from the sale of its transmission services and an increase in income from commercial spin-offs.

John Birt, the director-general, is understood to have disagreed on the extent of further savings which could be made over the next five years. But he said yesterday that the settlement was a positive signal, as it gives the BBC its first increase in the licence fee since 1985.

The problem would be in years four and five when the licence fee dips. "My judgement

at the moment is that the settlement is unrealistic in that we will be unable to fund the digital vision in that period," said Mr Birt.

Asked if she expected the licence fee to continue beyond 2002, she said: "The BBC stands for high-quality public service broadcasting, and that is inextricably linked with the licence fee regime for the foreseeable future."

TUC on road to capitalism with plans for power utility

Barrie Clement
Industrial Editor

The TUC yesterday paved the way for the establishment of a union-owned utility offering cut-price power to millions of trade unionists.

The ruling General Council of the TUC agreed to investigate the practicalities of the historic venture, which would mark a sea-change in the movement's attitude to capitalism in general and privatisation in particular.

Under the proposals, floated by Tony Cooper, General Secretary of the TUC-affiliated Engineers and Managers' Association, unions would set up a company with the help of private business. To take advantage of the liberalisation of electricity and gas supplies in

early 1998. Currently the sale of power is dominated by a few large companies, but the Government intends to throw the market open to greater competition. It is not clear whether the TUC might set up an entity which would simply "sell" the names and addresses of seven million union members to newly-founded gas and electricity companies, or would take an equity stake in a power supply organisation.

The TUC General Council yesterday decided to set up a working party on the issue without a vote. Fuller discussion of the implications will now take place in the New Year.

On the advice of merchant bankers Kleinwort Benson, union leaders estimate that if they sold energy to only half their members it would earn the

TUC £30 million a year. Annual running costs of the enterprise have been estimated at £400,000.

The TUC's financial problems could be solved overnight by the initiative, and John Monks, its General Secretary, is said to have an open mind on the issue.

However, such a venture would undermine the anti-privatisation policies of many of the largest TUC affiliates. Left-wingers are arguing that any enterprise which undercut private companies could affect the livelihood of trade unionists employed by them.

A spokesman for the GMB general union was sceptical about the idea. "It may simply be a kite which will never fly," he said. It is understood that both the

GM&B and Unison, the public service union, are suspicious of the initiative. They were unsure whether the union movement should move into the business world and were also doubtful about the viability of this particular scheme.

The TUC working party will have to bear in mind whether the initiative might have implications for the "windfall tax" on former state-owned industries which is planned by the Labour Party. Internal TUC documents also speak of concern that unions might be accused of "selling out" to capitalism.

In a letter to the TUC leader, however, Mr Cooper says the plan could enable unions to "make a substantial amount of cash". He said that the main power generators were "keen to proceed".

Rule change on 'gagging' orders

Patricia Wynn Davies
Legal Affairs Editor

The Government moved yesterday to reform the protection of public-interest immunity (PII) certificates by ministers in court cases, in the wake of the criticisms in the Scott report into arms for Iraq.

But although ministers will in future only claim the protection of the so-called "gagging" orders if a document would cause "real damage or harm to the public interest", there were doubts last night that the new approach would make a significant difference.

In simultaneous Commons and Lords statements, the At-

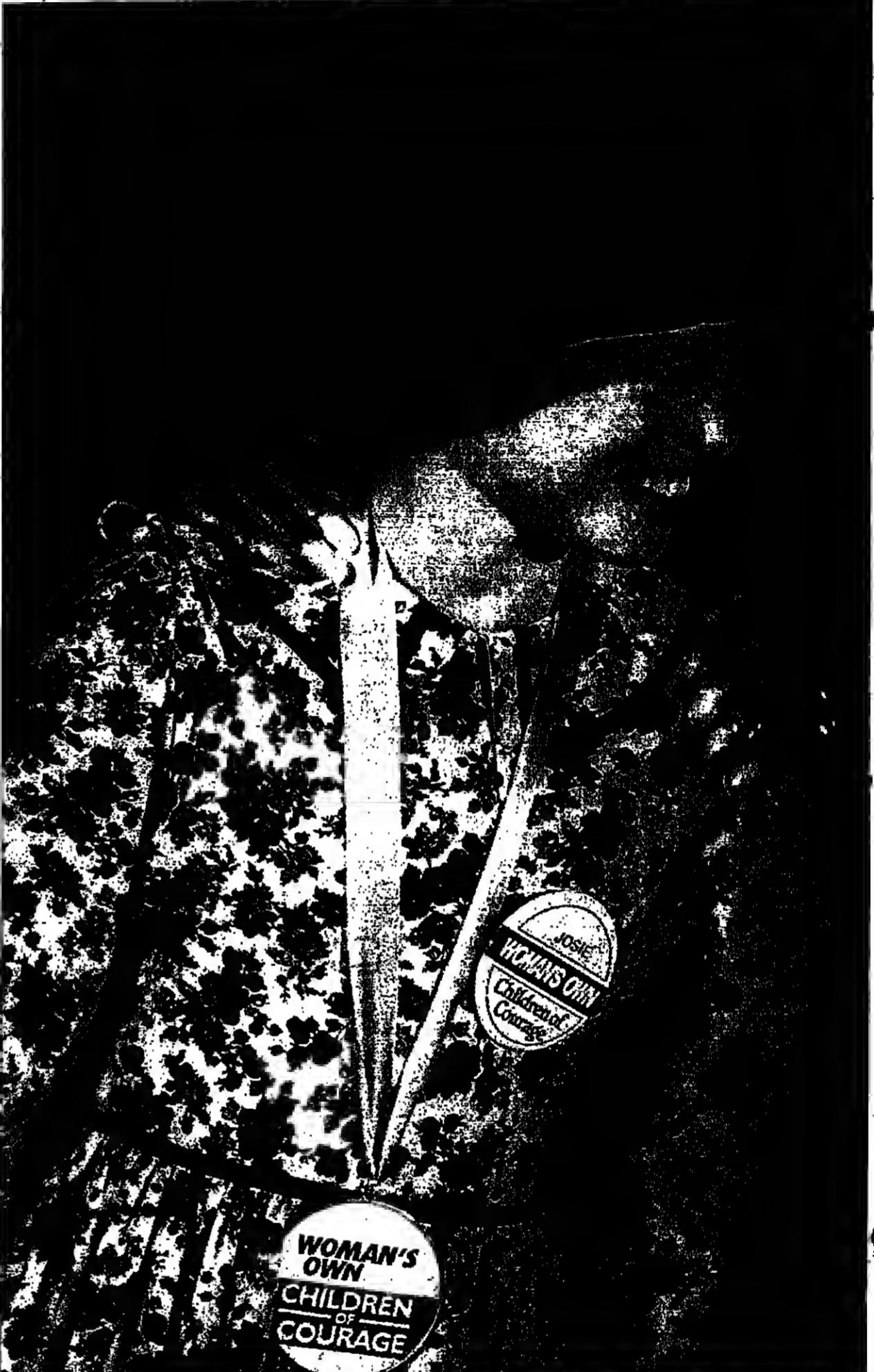
torney-General, Sir Nicholas Lyell, and the Lord Chancellor, Lord Mackay of Clashfern, said that ministers would "focus directly on the damage that disclosure would cause". The former division into class and contents claims will not longer apply... The Government intends that this test shall be rigorously applied before any PII claim is made for any government documents."

The final decision on whether official information should be disclosed in a criminal or civil trial would be for the courts concerned. There is no guarantee that a document vital to a person's defence—as in the Matrix Churchill trial which sparked

the Scott inquiry—would necessarily be disclosed.

While the blanket nature of the earlier approach appears to have been mitigated, "real damage or harm to the public interest" has not been defined. In a clue as to what the Crown might argue, the ministers suggested that it might relate to "a regulatory process; or it may be damage to international relations caused by the disclosure of confidential diplomatic relations" or "the nation's economic interests or our relations with a foreign state".

The ministers said PII certificates would "set out in greater detail than before both what the document is and what damage it is open to interpretation."



Mark of honour: Josie Russell, 9, who survived an attack in July which left her mother and sister dead, received an award from the Duchess of Kent (right) yesterday at the 23rd Children of Courage Awards in London. Photograph: PA

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Cards

Death penalty on dogs should end, say MPs

A committee of MPs yesterday called for relaxation of the Dangerous Dogs Act, including an end to the mandatory death penalty and introduction of "baif" for dogs awaiting trial.

Owners of dogs put behind bars should also be allowed more frequent visiting rights, the cross-party Commons Home Affairs Select Committee said in its report on the operation of the 1991 Act.

The MPs decided to review the Act—rushed on to the Statute Book in the wake of a spate of attacks by pit bull terriers—because it has been condemned by dog lovers as draconian.

The report calls for a relaxing of some provisions of the Act and an end to the requirement to put down all pit bulls which contravene section 1, which banned all breeding, importing, selling or giving away of pit bulls. The Act also required all existing ones to be registered, neutered, tattooed and subject to third-party insurance as well as being muzzled and on a lead when in a public place.

The MPs say there have been cases in which a pit bull was properly registered and responsibly controlled by its owner, but it was involved in a "minor breach" of the Act.

They highlight two celebrated cases: Dempsey, who was allegedly unnuzzled in a public place; and Otis, who was driven in his owner's car without a muzzle.

The MPs also call for a re-opening of the pit bull register. It was closed in November 1991 after owners were given a deadline to declare they had one of the breed. But, because the breed is not clearly defined, the MP's say pit bulls may be born after cross-breeding of two dogs, neither of which are pit bulls.

It would be unfair to demand destruction of such puppies, which may have been bred accidentally. Also, some owners were not aware that their dog was a pit bull by the time the register closed.

In court cases under the Act, the committee calls for a shift in the burden of proof, with the onus being on the prosecution to prove that a given dog is a pit bull. Currently it is up to the defence to prove that the dog is not. The Dangerous Dogs Act 1991 Reform Group, which has been campaigning for five years for a change in the law, welcomed the report and said it would seek an urgent meeting with the Government to press its case.

Life on Mars theory faces the final curtain

Charles Arthur
Science Editor

The scientific debate over whether there was once life on Mars intensified yesterday, as new evidence was published suggesting that the meteorite hailed in August as containing the remains of extraterrestrial bacteria in fact offers no proof of past life.

Two papers, accepted by a scientific journal dealing with the chemistry of terrestrial rocks and meteorites, have given a thumbs down to the idea that tiny tubular structures in ALH 84001, a Martian meteorite discovered in Antarctica, offer evidence that some sort of life existed on Mars roughly four billion years ago.

Microscopic examination of the meteorite, and a comparison of its contents with those of rocks from the same area as it was found, both provide non-biological explanations for the observations, say a group of American scientists.

The original claim was that the meteorite showed the results of biological action, because of the presence of polycyclic aromatic hydrocarbons (PAHs) deep within it, along with crystals of an iron compound called magnetite. Both are produced by some terrestrial bacteria, the weak link in the argument.

The meteorite was the weakest link in the overall hypothesis comes in multiple lines of evidence. He is performing tests on the mixtures of carbon and oxygen in the meteorite to see if they suggest past organic activity. He hopes to report the results next March.



PR consultant wins libel damages over journalist's book on the bitter war between British Airways and Virgin Atlantic



Brian Basham and his partner Lynne Goodson outside the High Court. Photograph: PA

£20,000 'Dirty Tricks' libel victory for the man they call The Streetfighter

By Michael Streeter

Public-relations consultant Brian Basham yesterday won £20,000 libel damages plus costs over a book on the bitter war between British Airways and Virgin Atlantic which he said depicted him as a "professional liar".

A High Court jury unanimously agreed that the book *'Dirty Tricks'*, written by the television journalist Martyn Gregory, wrongly portrayed Mr Basham as a "peddler" of untruths at the centre of the "dirty tricks" campaign against Virgin.

For a butcher's son from South London, a man who is known in his trade as The Streetfighter and who has a long list of high-profile former or current clients – including Lord Hanson, Mohamed Al Fayed, Robert Maxwell and the President of Malawi – it was one of his most satisfying victories to date.

Mr Basham, who rose to prominence in the yuppie Eighties as a master exponent of what he called pro-active PR – and what critics dubbed "negative PR" – admitted he had hung over him "like a cloud".

Mr Justice Ian Kennedy awarded costs – estimated at £400,000 – against Mr Gregory and publishers Little, Brown, and the verdict now raises the possibility of more legal actions against the book by BA and its associates. Lawyers acting for BA were in court throughout the case, as were solicitors acting for Marks & Spencer, which has issued a writ against a television programme Mr Gregory made for *World in Action* on child labour in Morocco.

The publishers were also ordered to stop any further distribution of *Dirty Tricks*.

After the four-week, sometimes acrimonious hearing, Mr Basham, 52, who runs his own public-relations company, Warwick Corporate, said he was "delighted" to have cleared his name. "A penny damages would have satisfied me," he said.

Mr Basham also revealed that he is considering reporting the defence barrister Ronald Thwaites QC to the Bar Council for his "outrageous" attack on him during closing speeches, in which the PR man was described variously as "wicked", "evasive", "slippery" and a "pervert".

"It was a complete abuse of privilege, almost more than flesh can bear," said Mr Basham.

The PR consultant, who was sacked by British Airways after being "thrown to the wolves" over the Virgin affair, is also over the Virgin affair, he was to write a book about his experiences, provisionally entitled *Dicky Business* – a phrase which cropped up, ironically, in *Dirty Tricks*.

Dramatis personae



(Left to right) Martyn Gregory, author of *Dirty Tricks*, Virgin chief Richard Branson, and Kevin Costner who was suggested as a possible Branson for the film of the book

Discussions with Hollywood film producers to turn *Dirty Tricks* into a movie – with suggestions that Kevin Costner should play the Branson role – are now likely to be shelved.

Mr Gregory, an award-winning documentary maker, was visibly upset after the verdict. "It's a very, very sad day for investigative journalism – and the British establishment has again gathered around one of its own."

He said they were considering an appeal which he was "confident" would be successful. They had denied the libel, pleading justification.

The decision by the jury that, in effect, Mr Basham had got engaged in dirty tricks, raises new questions about the BA/Virgin battle, which culminated in January 1993 when BA paid Mr Branson and its rival airline a total of £610,000 in libel damages and up to £45m costs.

At the time Mr Basham was named in a court statement and, in his words, was made a scapegoat for the company's actions against Virgin.

One experienced observer of the saga said: "If Mr Basham was not involved in dirty tricks, as the verdict says, then who was?"

The case has its origins in the late Eighties, against a backdrop of rising concern, if not paranoia, in BA about Virgin Atlantic and Richard Branson, the man they dubbed "the grinning pullover", and his ability to make serious inroads into their business.

Mr Basham, who had been retained by British Airways as a consultant from 1985, was said in *Dirty Tricks* to have played a central role in the campaign, by spreading rumours to journalists about supposed shortcomings in Mr Branson's airline and his other businesses, in an apparent bid to deter investors.

There were three main areas of contention in the case: first, the compilation of a report by Mr Basham on the Virgin chief and his companies in 1991, pointing out among other matters that Mr Branson's association with the gay nightclub Heaven was risky for a man seeking investors. The report was then leaked to selected journalists. There followed two meetings with journalists, one with Chris Hutchins, a gossip columnist on the now defunct *Today*, the other with Nick Rufford of the *Sunday Times*.

He was taped telling Mr Hutchins about rumours of infected needles found in bins outside the nightclub and the apparent availability of drugs there, and about how he would not let his wife fly Virgin Atlantic – implying safety concerns. He also told Mr Rufford of other rumours that Mr Branson was forced to pay cash in advance for his airline's fuel.

Mr Thwaites told the court that in describing these matters, the book had not "wronged" Mr Basham but had "exposed" him. Though it had not accused the PR consultant of lying, it had suggested that he passed on stories about Virgin not knowing if they were true.

But the jury accepted the claim made by Mr Patrick Milmo QC, for Mr Basham, that the account was "one-sided, partial,

embroidered and distorted", and in effect portrayed Mr Basham as a "peddler of lies".

The Branson report – called Operation Barbara – had been fair and balanced, Mr Milmo said, and his client had been "set up" by at least one of the journalists, whom he had urged to check the stories independently.

His client could ignore most

insults, but "not the accusation that he was a professional liar," added Mr Milmo.

Mr Basham said to court: "I would very happily sacrifice my contract rather than spread stories which I did not believe to be true."

The defence did not seek to justify claims made in the book that Mr Basham had helped al-

ter Mr Al Fayed's family history during his bid to take over the Knightsbridge store, Harrods.

As well as running Warwick Corporate, Mr Basham, who is twice-married, runs a private company providing health care for the elderly. His work for the Royal British Legion, much of it unpaid, recently received an award for encouraging the re-

turn of the two-minute silence last year.

Mr Basham began his career in newspapers as a copy boy on the *Daily Mail* and later worked on the *Times* before moving into business PR in the Seventies, where he quickly established a reputation for being a clear-headed, tough operator, equally at home with financial

figures, business and – crucially – journalists. He helped in build up Broadstreet Associates, a powerful Eighties PR consultancy before selling out and creating Warwick.

At the peak of his career

he combined an image of ruthlessness and hard work with glamourous living and expensive cars. Despite himself describing

the public relations business as "twisty" – with irony, he insists – and hearing his like called "shifty" by Mr Thwaites, Mr Basham is in no doubt of the value of his trade.

"Nowadays, neither newspa-

pers nor brokers and fund managers could function without the input of the PR industry," he said.

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Cruel facts of life in brutal world

Humanitarian idealists in the line of fire

Christopher Bellamy

The killing of six International Red Cross staff in Chechnya has spurred new efforts to draw up rules to protect vulnerable people working for humanitarian organisations.

At present, there is no common database listing who is doing what and where. Some of the non-governmental organisations (NGOs) are large, highly professional groups. Others are small and well-meaning but sometimes naive, and vulnerable to casualties from drugged, drunken gunmen or road accidents. But, as the Chechen massacre shows, even the professionals are not always safe.

The people who work in the field are mainly young – in their twenties and thirties. Many are medically trained, but there are also logisticians, engineers, even architects, like one of the Red Cross workers killed in Chechnya. They work hard and play hard. They are, perhaps, the modern equivalent of volunteers who went to Spain and fought in the Civil war.

The proliferation of agencies has given rise to demands for regulation, both for their own protection and to avoid duplication of skills. British Overseas NGOs for Development – Bond – has 145 agencies based in the UK registered as members. A new project, People in Aid, is trying to promote a code of practice, to be published next year which would facilitate greater co-ordination between NGOs. The draft code of practice stresses that individual workers are the key, that field staff must be consulted by management, and that they should be given the best training and

support. The last principle is security.

The work of relief and development agencies often places great demands on staff in conditions of complexity and risk," the code says – something of an understatement.

The greatest concentration of NGOs in recent years has been in Bosnia, because it has been prominent in the media and is relatively easy to reach. Conditions away from the immediate battlefronts were relatively civilised. Only the bigger, more professional organisations have operated in the much more demanding conditions of the former Soviet Union, Somalia, central Africa and Cambodia.

The Red Cross, which lost six workers to Chechnya, was the worst massacre in its 132-year history – on Tuesday morning was the original NGO. Henri Dunant, its Swiss businessman founder, hastening to do business with Napoleon III of France, stumbled on the dreadful aftermath of the Battle of Solferino in June, 1859, when French and Austrian armies had collided in northern Italy.

He organised emergency aid services for the wounded of both sides and later proposed the formation of voluntary relief societies in his book, *Un Souvenir de Solferino*, of 1862.

The Red Cross, jealous of its independence, is the NGO most associated with operating in war zones. Its prime duties are protection of prisoners of war and civilians in time of war, and it acts as an intermediary between warring states or warring parties within a country.

The only agencies operating in Chechnya were the ICRC, Médecins sans Frontières



(MSF), and the British agency, Merlin (Medical Emergency Relief International). All pulled their teams out of Chechnya yesterday, though they remained in neighbouring republics.

MSF typifies the front-line aid agencies, concentrating on the areas where war casualties are highest. In July, it had 85 expatriate staff and 526 local staff in Afghanistan: corresponding figures in other hot spots were 92 and 1300 in Liberia; 71 and 1740 in Rwanda; 86 and 794 in Angola; 111 and 1429 in Rwanda; and 89 and 878 in Zaire.

NGOs often work under the umbrella of the UN, usually the

United Nations High Commissioner for Refugees (UNHCR), but also the UN Children's Fund, UNICEF, the World Health Organisation and the World Food Programme.

Britain's Overseas Development Agency (ODA) also plays an active role in the field. ODA drivers trucked aid to central Bosnia and Sarajevo throughout the civil war. In the past three years, most of Britain's emergency aid has gone to the states of the former Yugoslavia – £38m last year, followed by Angola and Rwanda. Overall, most emergency aid – 46 per cent – goes to Africa.

Killed in pursuit of the truth

Aid agencies pull out after workers shot

Helen Womack

Moscow

also froze its work with some 30,000 people displaced in the two-year conflict, which has killed tens of thousands.

Local doctors were distressed by the departure. "It will be a big catastrophe for us," said Lyuba Archakova, head doctor of Hospital Number Four in the Chechen capital, Grozny. "We just don't have the resources to help people. The foreign aid organisations were bringing us all our equipment and medicine."

President Boris Yeltsin continues to convalesce after his heart operation in November but Russia's Prime Minister, Viktor Chernomyrdin, lost no time in denouncing the shooting, the worst ever single attack on the ICRC. "The Russian government appreciates the humanitarian activities of the Red Cross and decisively condemns this cruel and senseless crime."

Ruslan Khatyev, a minister in the separatist coalition running Chechnya, now that Russian troops are leaving, called the attack "an intentional and planned provocation aimed at cancelling our elections for a president and parliament". The vote is set for 27 January.

A fragile peace was achieved this autumn after Moscow and the Chechens agreed to shelve for five years the highly sensitive issue of whether the region should have full independence from Russia. But both sides speak of a "third force" seeking to derail the peace process. Chechens suspect the motives of hardliners in the Russian military and security services while the Russians worry that moderate separatists such as Aslan Maskhadov and Zelimkhan Yandarbiyev cannot control their militant former comrades.

The United Nations High Commissioner for Refugees

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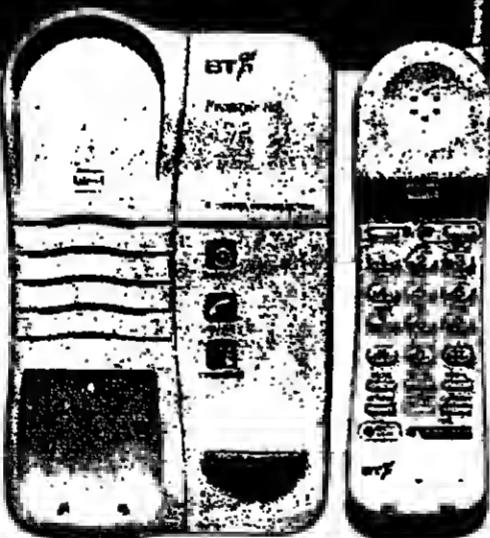
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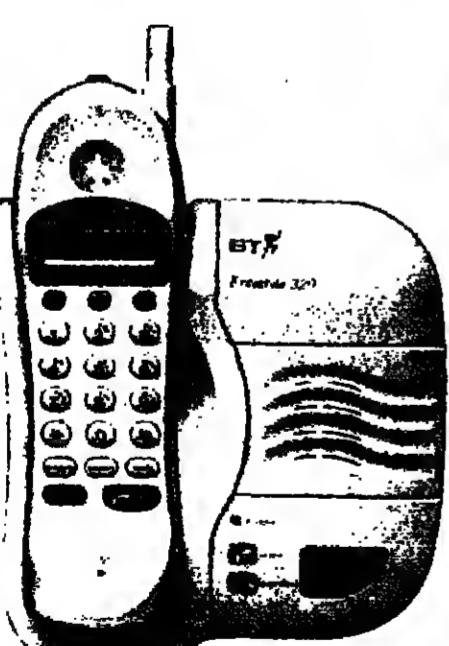
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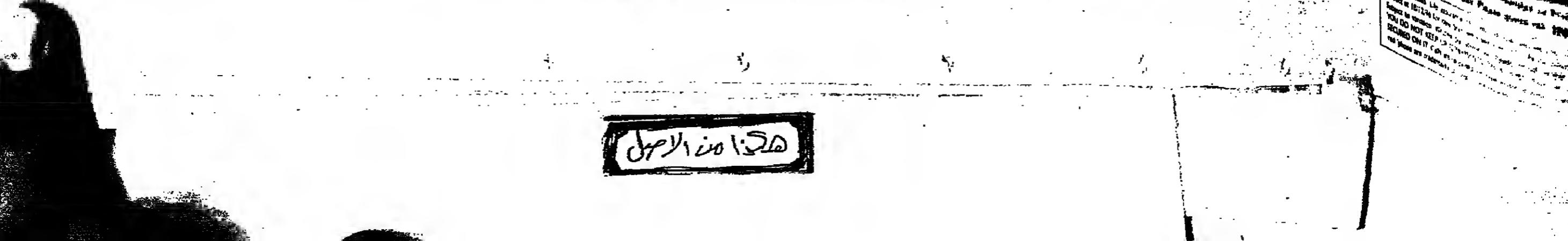
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How the 'genius' of a tiny band of terrorists eclipsed the Shining Path

Phil Davison,
Latin America Correspondent

Peru's Tupac Amaru guerrilla group had long lived in the shadow of the larger, more famous Sendero Luminoso (Shining Path). Not any more. In its daring, planning and execution, Tuesday's attack on a Japanese diplomatic reception in Lima surpassed any of Shining Path's terrorist operations.

"It was a work of genius, the perfect target at the perfect time," said a senior European diplomat who did not attend the reception at the Japanese ambassador's residence. He was referring to the fact that many Peruvians have been increasingly critical of growing Japanese

influence in the economy, encouraged by President Alberto Fujimori, himself of Japanese origin. "And to get so many dips [diplomats], government members, Japanese business leaders and other bigwigs together at the same time, sipping champagne and nibbling canapés, is bound to have a certain resonance among the left and the poor."

While Shining Path was de-

scribed as the "genius" of a tiny band of terrorists eclipsing the Shining Path, the group carried out its first attacks in 1984, two years after the emergence of Shining Path. While the latter built up a certain resonance among the left and the poor.

Tipac Amaru was the name of an Inca chief who resisted the Spanish conquistadores but was captured and executed in 1572. But the guerrilla group took the name from a later fighter, Jose Gabriel Condorcoqui, who used the nom de

guerre Tipac Amaru II and was executed in 1781 for leading an unsuccessful revolt against the Spaniards.

The group carried out

work of up to 10,000 members by the end of the Eighties, mostly in urban shantytowns or remote mountain or jungle villages. Tipac Amaru was never thought to number more than 1,000. The Lima assailants say up to 500 MRTA members are

in jail and are demanding their release in return for the hostages' freedom.

The MRTA appeared to have been largely crushed in 1992, the year President Fujimori broke the back of Shining Path with the capture of that group's leader, Abimael

Guzman, now serving a life sentence in solitary confinement. In June of that year, Tipac Amaru's leader, Victor Polay, was captured and is also now doing life. His release is one of the Lima assailants' key demands.

The group hit the head-

At their mercy: Holding a piece of white cloth, Michael Mining, president of the Peruvian Red Cross, enters the ambassador's residence to negotiate with the rebels. Photograph: AFP

ing one-way mirror screens in court.

She was accused of helping plan a takeover of the Peruvian Congress, a plan which diplomats say may later have been adapted to Tuesday's attack on the Japanese reception.

The hostage drama is a blow to President Fujimori, whose chief claim to popularity was that he ended the long guerrilla conflict. Although his popularity has been waning, he recently persuaded Congress to accept a bill of legal slight-of-hand - a new interpretation of the constitution - which will let him run for a third five-year term in 2000. His authoritarian style and eagerness to cling to power have already shown signs of provoking a resurgence of the left.

The Marxist guerrilla groups which fought or terrorised right-wing or military governments throughout Latin America for three decades must fizzle away as democracy took hold. But a tendency towards power-hunting by Latin leaders shows signs of boosting sympathy with leftist, anti-government groups.

Mr Fujimori, Argentina's Carlos Menem, Brazil's Fernando Henrique Cardoso and Ecuador's Abdala Bucaram are all talking of running again, even if it means tampering with their constitutions.

In Mexico, the Peoples Revolutionary Army attacked official targets in the south this year.



significant shorts

Lagos bomb raises fears of unrest

A bomb exploded in Lagos, Nigeria's biggest city, critically wounding 12 soldiers and raising the prospects of a violent Christmas in the troubled nation. Witnesses said a bus carrying 60 soldiers was ripped apart by the bomb, planted in a refuse dump, it was the third bomb blast in Lagos in a month. Reuter - Lagos

Havel pleads with deputy PM not to quit

The Czech President, Vaclav Havel, urged the Deputy Prime Minister, Jan Kalvoda, to reconsider his resignation after admitting lying about his qualifications. Mr Kalvoda, who heads a junior coalition party, had claimed to be a doctor of law. He is one of several MPs discovered to have falsified CVs and the second

Kremlin still wary of Nato

Russia continued its opposition to Nato enlargement when its Defence Minister, Igor Rodionov, visited European headquarters in Brussels, and repeated Russian concerns that expansion would violate the "military-strategic balance". Christopher Bellamy.

Prisoners take over jail

Nearly 3,000 prisoners took control of Bangladesh's western Jessor jail, demanding general amnesty and better conditions. The prisoners struck on Monday, when the nation was celebrating the 25th anniversary of independence from Pakistan. AP - Dhaka

Hooker Barbie hits the streets

While US shoppers pleaded for Holiday Barbies, stores here offered a more eclectic assortment, including Trailer Trash Barbie, Hooker Barbie and Drag Queen Barbie, and even let customers specify the number and location of body piercings. AP - San Francisco

More Kenyan students die

Kenyan police shot dead two students during a riot at Kenyatta University, outside Nairobi. They were shot when police opened fire as students protested at the killing on Tuesday of a student at Egerton University, 125 miles from the capital. Reuter - Nairobi

Consumed with success

The Michelin guide, bible of gourmets across Europe, gave restaurants in Spain and Italy its coveted three-star rating. El Bulli, in Rosas, north-eastern Spain, and Don Alfonso 1890, in Sant'Agata sui Due Golfi, near Sorrento, achieved the top rank, an honour enjoyed by 19 restaurants in France. Reuter - Paris

Train on the rampage

A train, operated only by a remote-controlled locomotive, and its 55 wagons ploughed through dozens of crossings, three stop signs and passed several other trains before a train driver stopped them. AP - Omaha, Nebraska

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international

Berlusconi learns to love his enemies

Andrew Gumbel
Rome

When Silvio Berlusconi first swept into Italian politics three years ago, his mission was "to save the country from the communists". These days, though, the people he calls communists – in reality the Social-Democratic successors to the old Communist Party known as the PDS – are some of the best friends he has.

To call it a late-flowering love affair might be exaggerat-

ing, but there is definitely an attraction of mutual interests. With tensions growing within Italy's centre-left coalition government, the PDS seems to find it easier to talk to Mr Berlusconi and his party, Forza Italia, than it does to its own allies.

This week, under the influence of the PDS's canny leader Massimo D'Alema, the government cut what seemed to be an outrageous deal with Mr Berlusconi, guaranteeing him the right to continue running his monopoly on private television

for the next six months, even though the Constitutional Court has deemed it to be illegal. Ostensibly the reason for the deal was to give parliament time to draw up new legislation that would modernise the whole of the broadcasting sector, including cable and satellite.

But that on its own does not explain why Mr Berlusconi was so scrupulously consulted on the matter, and a blind eye glaringly turned to the blatant conflict of interests. The nub of the matter is that the PDS is find-

ing it ever harder to keep the governing coalition together. The so-called "Olive Tree" stretches from the communist hard-left to the free-market right, an impossible clutch of customers to keep satisfied simultaneously when it comes to such key matters as the budget-cutting measures necessary to qualify Italy for European monetary union.

The 1997 budget, which has almost completed its passage through parliament, was sealed only by making big concessions

to the left, and keeping public spending cuts to a bare minimum. If, as an IMF forecast has predicted, the government comes under pressure to slash the budget further next spring, some part of the coalition is bound to give way. To stave off this looming crisis, the PDS is courting allies further afield. Mr Berlusconi is certainly not about to join the government, but he can be useful to Mr D'Alema in other ways. First, he can agree not to filibuster parliament in its efforts to push through a

block of important legislation. Secondly, he can cooperate in overhauling the constitution to make Italy easier to govern. Further down the road, there might be room for further negotiation: support for further budget-cutting measures from Forza Italia, perhaps, in exchange for some kind of amnesty exonerating Mr Berlusconi from the various charges of corruption and business malpractice that he is facing. This may not be the politics of high principle, and

indeed it is infuriating a minority of left-wingers including some members of the PDS. But it is a mark of the widely-acknowledged tactical brilliance of Mr D'Alema.

So far, Mr Berlusconi is playing along partly because it suits his own personal interests, and partly because he thinks he might yet be able to outwit Mr D'Alema. His allies are working hard on the hypothesis that the present government might fall next spring, and that a cross-party alliance cutting out

both the far left and the far right could then take Italy into Europe and the next general election.

What is striking in all this is the erosion of the boundary between government and opposition – harking back to the old days of Christian Democrat hegemony in Italy. The notion of defeating one's enemy by inviting him in seems to be an enduring one in this country, and one that could yet save Mr Berlusconi from an ignominious exit from public life.

Heated words in battle over bonus ends in Thai workers setting factory ablaze

Bangkok (AP) – Police were yesterday searching for ringleaders of angry workers who torched the headquarters and factory of a Japanese company in a dispute over year-end bonuses, newspapers said.

At least 2,000 workers, many of them drunk, set fire to a compound of the Sanyo Universal Electric company late on Tuesday night after bonus negotiations broke down. Workers who gathered to the fenced company compound threw rocks, whisky and beer bottles at the buildings and then started setting wooden debris, electrical appliances and refrigerators alight.

The fire spread to the buildings. More than 400 police were sent to the scene but were unable to stop the workers. Police said about 10 ringleaders were responsible for orchestrating the protest.

According to the Bangkok Post, the fire destroyed the company's eight-storey headquarters and a four-storey warehouse and plant where refrigerators, televisions and air compressors were being manufactured. It was believed to be the worst damage to a major firm in Thailand resulting from a labour dispute.

The Bangkok Post said the company's management had offered a bonus equivalent to three months of wages to its workers, rather than the 5.75-month one it provided last year. Year-end bonuses are customary in Thailand but they are rarely as high as that given by Sanyo.



Towering inferno: Firefighters vainly spraying the flames which engulfed the Sanyo factory in Bangkok, torched by a mob of 2,000 angry workers.

Photograph: AP

Official at FBI 'spied for Russia'

Rupert Cornwell
Washington

An FBI employee was arrested on spying charges yesterday. First reports said he had been working in counter-intelligence and had spied for the Russians for at least five years.

Justice Department officials said he was arrested at the FBI's training centre in Quantico, Virginia. He had been transferred to the centre, a less sensitive posting, after he fell under suspicion. The department described the arrest as a "major development in a significant criminal case".

The apparent unmasking of a new spy came a month after the arrest of Harold Nicholson, a senior CIA instructor, on charges of passing the names of CIA officials to the Russians in exchange for \$180,000 (£110,000). He is the highest CIA official ever to be accused of spying.

Early accounts said the man arrested yesterday had worked at the FBI since 1983, and had specialised in "national security", in other words, counter-intelligence. He had apparently worked for the Russians "for more than five years but less than 10". But it was not clear how serious was the information he had handed over, nor how much he had been paid. Another official said there appeared to be no link between him and Mr Nicholson.

Given the FBI's task of tracking down spies in the US, a turn-coat agent would be a huge prize for the intelligence service of Russia or any other power. The last (and only) FBI employee accused of espionage was Richard Miller, jailed for life in 1986 for passing secrets to the Soviet Union.

The comparative speed with which Mr Nicholson was caught was proclaimed as the sign of a new era of co-operation between the CIA and the FBI.

For Louis Freeh, head of the FBI and the bureau's lawyer, the case is the latest in a string of embarrassments, ranging from its failure to prevent the downing of flight TWA 800 to the botched targeting of Richard Jewell as prime suspect in the Atlanta bombing.

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Suicide of 'N Korea missionary'

Diane Targovnik
Associated Press

Tacoma, Washington State – Evan C. Hunziker, the man arrested in August and held for three months by North Korea on spying charges, was found dead yesterday morning in a

motel here – an apparent suicide, police said. Mr Hunziker's body was found in a room at the Olympus Hotel. He had been shot once. The police added that no note was found.

Mr Hunziker, 26, was arrested in late August in North Korea when he illegally entered the country from China.

North Korea accused him of spying for South Korea. His relatives, however, maintained he had had a religious awakening while he was jailed in Anchorage, Alaska, and went Asia to spread the word of his newfound religion.

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HALF

Sheriff's man strides out as blizzard rages across the Badlands



Eye of the storm: Sergeant Gary Grove, of the Grand Forks County Sheriff's Department, braves a blizzard which hit North Dakota yesterday. Snow driven by the high winds hampered communications in the region and several travellers were stranded in their vehicles. Photograph: AP/Dan Dierdorff

EU agrees to keep tobacco subsidies

By Sarah Helm and Katherine Butler
Brussels

The European Commission yesterday rejected proposals to end subsidies to tobacco producers, saying that 200,000 workers are dependent on the funds. The decision provoked anger from the anti-smoking lobby, and caused divisions within the Commission itself.

Padraig Flynn, the social affairs commissioner, has called for abolition of the subsidies, arguing that the EU should not be supporting trade which leads to tobacco-related deaths. While the EU spends £800 million a year to support the producers, mostly in Italy and Greece, it is only spending £12 million a year on measures to combat smoking, said Mr Flynn. He reminded his colleagues on the Commission that smoking is now the biggest single avoidable

cause of death in Europe. However, the majority of commissioners supported a proposal from Franz Fischler, the agriculture commissioner, who said stopping the subsidies would directly affect 135,000 families putting 200,000 people at risk of unemployment.

"It's a stepping stone in the right direction but it doesn't go anywhere near as far as we would have preferred," said Andrew Hayes, of the Association of European Cancer Leagues.

Rejection by the Commission of Mr Flynn's call for a complete phasing out of the subsidies represents a victory for the tobacco industry.

Philip Morris, the American industry giant, mounted what EU officials described as an "incredible" campaign. It is understood the company even enlisted a number of former agriculture commissioners to put its case forward.

While the industry may face new anti-smoking curbs through stricter labelling, and eventual measures to impose new limits on cigarette tar and nicotine content levels, tobacco growing subsidies will continue to benefit the cigarette makers.

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Cyprus verdict stuns Turkey

By Tony Barber
Europe Editor

In a judgement with potentially far-reaching implications for the Cyprus dispute, the European Court of Human Rights ruled yesterday that Turkey had violated the rights of a Greek Cypriot who lost access to her property after the 1974 Turkish invasion of northern Cyprus.

It was the first time an international court had held Turkey responsible for the consequences of its invasion, which displaced at least 160,000 Greek Cypriots from the northern third of the island.

"It is a great success. I believe its effects could be enormous," said President Glafcos Clerides, the Greek Cypriot who heads the internationally recognised state of Cyprus. "If we take into account those who were forced to leave their homes, then the effects could be even greater."

The Strasbourg-based court, an arm of the 40-nation Council of Europe, issued its judgement at a time when the United States, Britain and its European Union allies are intensifying efforts to make 1997 the year of a settlement of the Cyprus dispute. There was no immediate reaction from Turkey, but the prospect of a wave of Greek Cypriot legal claims stemming from the court's judgement may stiffen the resolve of the Turkish government and its

Landmark ruling may unleash wave of property claims on troubled island

Turkish Cypriot allies to maintain a hard negotiating stance.

Since the Turkish invasion, Cyprus has become an island of two ethnically pure sectors, with only a handful of Greeks left in the north and almost no Turks in the south. Much Greek property in the south has ended up in the hands of Turkish Cypriots or settlers from the Turkish mainland.

The court ruled by 11 votes to six that Turkey had violated the rights of Tilita Loizidou, a tourist guide, by denying her access to plots of land that she owned in the northern coastal resort of Kyrenia. She launched her case after being detained by Turkish Cypriot police in 1989 as she entered the Turkish-controlled sector of Nicosia.

Accompanied by a group called "Womeo Walk Home", Ms Loizidou was trying to draw attention to the fate of Greek Cypriots displaced from northern Cyprus in 1974. The Turkish Cypriot authorities later

insisted on her return to the Greek sector of Nicosia.

One vital element of the court's judgement was that Turkey, rather than the self-proclaimed "Turkish Republic of Northern Cyprus", was responsible for what happened to Ms Loizidou. Turkey, which keeps 30,000 troops in northern Cyprus and is the only country to recognise the TRNC, argued that it could not be responsible since the events took place outside the territory of Turkey.

The Council of Europe said in a statement: "In the court's view, it was obvious from the large number of troops engaged in active duties in northern Cyprus that the Turkish army exercised effective overall control there. In the circumstances of the case, this entitled Turkey's responsibility for the policies and actions of the TRNC".

The court dismissed Turkey's argument that it had no authority to consider the case since it related to events before 1990, when Turkey accepted the court's compulsory jurisdiction.

The court deferred judgement on Ms Loizidou's claim for compensation and asked the Turkish government to submit its observations within six months. The court also dismissed her claim that she had lost her home, commenting that she had not been living in Kyrenia at the time.

obituaries / gazette

Irving Caesar

"I write fast", maintained the lyricist Irving Caesar. "Sometimes lousy - but always fast."

During his song life he dashed off the words for such standard songs as "Swance", "Animal Crackers in My Soup", "Just a Gigolo", "Is It True What They Say About Dixie?" and "Tea for Two". The words of the last-named song were slush; Caesar wrote them late one night as a "dum-dum lyric", just putting down the first came into his head to remind himself of the shape of Vincent Youmans's tune: "Picture you upon my knee, / Tea for two and two for tea, / Me for you and you for me, / Alone..."

"I was going to write the real lyric in the morning," he said. "But while I was still asleep, Youmans found what I'd scribbled, liked it, and that was that." In 1963 the American Society of Composers, Authors and Publishers selected "Tea for Two" as one of 16 songs making up its All-Time Hit Parade.

Irving Caesar wrote verse and song lyrics as a child, but trained as a stenographer at New York's City College. In that capacity, he worked with Henry Ford's doozed Peace Mission to Europe during the First World War. Towards the end of the war, Caesar returned to America to begin his songwriting career. In 1918, when "Hindustan" was a popular one-step, he and George Gershwin met for lunch in New York to discuss future collaboration. Caesar suggested they write a one-step of their own, and the result was "Swance", which they completed within hours.

The following year, it was sung in the stage show at New York's newest cinema the Capitol, and then danced to by 60 chorus girls with electric lights on their shoes. The song came into its own in 1918, when Al Jolson sang it in one of his legendary Sunday night concerts. The reaction was so enthusiastic, Jolson interpolated the song into his show *Sinbad*, after which his recorded version sold over two million copies.

The success of "Swance" opened many doors for Caesar, but the songs he co-wrote for such shows as *Morris Gest's Midnight Whirl* and *The Sweetheart Shop* (both 1920) aroused little excitement. "Sixty Seconds Every Minute", which he and Louis Hirsch wrote for the 1922 edition of *The Greenwich Village Follies*, was a popular hit, but nothing he wrote for the next three editions of the revue was successful.

He had a hit with "Gigolo" (music by Franz Lehár) in *André Charlot's Revue of 1925*, and a huge success that same year with his lyrics for *No, No, Nanette*, for which he and Vincent Youmans wrote such standards as "I Want to Be Happy", "Too Many Rings Around Rosie", "You Can Dance With Any Girl at All", the title song and, of course, "Tea for Two". A follow-up show *Yes, Yes, Yvette* (1927), which Caesar wrote with the composer Ben Jerome, ran only 40 performances.

Caesar felt Yvette might have been a hit had he been allowed to interpolate "Sometimes I'm Happy" into the score, but Youmans with whom he'd written the song, refused to allow this. In the spring of 1927, Caesar returned from a long stay in Europe to find

everyone whistling "Sometimes I'm Happy", which Youmans had interpolated into his then current musical *Hit the Deck!* without asking its lyricist's permission. "I gave Youmans two choices", Caesar remembered with satisfaction. "Get himself a new lyric for the song, or pay through the nose, giving me huge royalties for every single company of the show - and it was playing everywhere. The song was already a smash with my words, so I got the royalties."

Although *Here's Howe* (1928) was a quick Broadway flop, it produced "Crazy Rhythm", a hit song with music by Roger Wolfe Kahn. Caesar also wrote with such composers as Victor Herbert, Sigmund Romberg, Rudolf Friml, and Oscar Levant. With the latter, he wrote "Lady, Play Your Mandoline", which boasts the grisly line: "Señorita, sweet Chiquita, I could eat your heart".

In 1930 Caesar wrote an English lyric for "Schlager Gigolo", a Viennese melody. "Just a Gigolo" was recorded successfully by Bing Crosby, Louis Armstrong and Vincent Lopez's orchestra, and revived in the 1960s by the Louis Prima band.

In the mid-1930s Caesar worked with the composer Ray Henderson on two films for 20th Century Fox: *George White's Scandals* (1934, which produced Alice Faye's successful song "Oh, You Nasty Man!") and *Curly Top* (1935), which produced Shirley Temple's



Caesar: "Tea for two"

even more successful "Animal Crackers in My Soup".

Although he never learnt to read music, Caesar also composed many children's songs. His instructional collections *Sing a Song of Health*, *Sing a Song of Friendship* and *Sing a Song of Safety* were widely used by schools across America. Recently he wrote a song called "Who Wants Marijuana?", and was still writing to the end. In 1995 his publishers announced that he had married the previous year.

The show Caesar was never allowed to forget was *My Dear Public* (1943), a "revivalist" which ran for only 43 performances, and received such notices as the *New York Journal-American's* "The picc is presented by Irving Caesar, who, even if you don't ask me, should be ashamed of himself", while the review in the *Daily News* bore the headline "Caesar is Buried, Not Praised". Caesar, who not only produced the show, but wrote all the lyrics and collaborated on the music and book, telephoned Ira Gershwin and asked fraternally, "Why is everybody blaming me?"

Dick Vosburgh

Irving Caesar, lyricist, composer: born New York 4 July 1895; died New York 17 December 1996.



The sight and the smell were completely appalling: Daniell, given two hours to investigate a suspicious group of buildings on 19 April 1945, discovered the concentration camp at Belsen

Brigadier Robert Daniell

The discovery of Belsen in April 1945 when he rammed his tank through the gates of the camp was Robert Daniell's worst experience in a war in which he saw front-line action in North Africa, France (during the Normandy landings), Belgium, Holland and northern Germany, and was promoted on the battlefield three times, twice mentioned in dispatches and awarded two DSOs.

Having smashed through Belsen's gates and the first building he came to, scattering guards in all directions, Daniell found a trench 150 yards long filled with naked bodies; he then broke down the door of the camp hospital, in which 90 per cent of the patients were dead. "The sight and the smell were completely appalling: they were all naked and many of them no doubt had typhus." In the next two buildings he visited lay hundreds of skeletal people in the last stages of starvation. Hearing shots, he went to the perimeter where he found a group of would-be escapees stretching out to the distant horizon. Years later in the days of war the ability to become an unrecognisable object was to stand me in good stead. When man was hunting man, it was the first one who shot who survived.

Daniell passed out of the Royal Military Academy in 1920, second in his class, and after a period with the 1st Battalion, Royal Artillery (The Blazars), during which he became an enthusiastic jockey, was posted to India where Montgomery was his hatters captain. He returned to England in 1928.

In 1929 he received his "Jackie" and was posted to the 3rd Regiment Royal Horse Artillery. Then followed a period of high days and holidays during which his horse won the Grand Military Gold Cup in 1933, and he rode to victory himself in the Gunner Gold Cup at Sandown twice, in 1934 and 1938. He became Adjutant of the Westmorland and Cumberland Yeomanry before rejoining his regiment late in 1937 and leaving for Palestine.

Action started in January 1940 with the battle of Sidi Barrani under Wavell, which resulted in the surrender of 30,000 Italian troops. Daniell was with 9th Battalion, 3rd Royal Horse Artillery. Not long afterwards he became second in command of the South Nottingham Hussars. In March 1941 they broke through German lines to enter Tobruk, and for 10 months endured the siege.

They returned to Cairo to refit. But in April 1942 the 22nd Armoured Brigade was to match for Rommel's Panzer Regiments - now equipped with new Mark VI tanks - when they advanced again from the west. With the last of the Churchill tanks in flames, Daniell faced four Mark VI tanks coming straight for his guns. One suffered a direct hit and exploded, while the others opened up with heavy machine-guns which pierced the 25-pounder gun shields like paper, killing many of the South Nottingham Hussars. The regimental padre, with four bullets in him, escaped with six wounded, while Daniell and three fellows lay as if dead. To their relief the tanks passed them by.

Early in June 1942, after collecting what was left of his men and guns, Daniell was ordered forward from the Gazala to Hachem minefield, to put up a barrage in a futile attempt to discourage German movement northwards. Dawn broke as the regiment was toppling a rise and they were met by a hail of shells. Caught on a stony ridge, they became surrounded by German tanks. Casualties were heavy. Daniell and his men could not move, and their orders were precise: stand and fight where they were looted and massacred the last round.

For two days the situation deteriorated. Having collapsed with fatigue Daniell awoke to find a German staff car beside him with two generals in it. He leapt up to the running board but was dislodged when the staff officer hit him over the eye with his map case. All the vehicles were burning as he walked over to the remaining gun that seemed intact. As a Mark VI appeared out of the smoke a gunner loaded the 25-pounder for

him and he fired at point-blank range. The tank was destroyed but Daniell had been seen and machine-gun fire was heavy. Daniell rolled into the smoke of a burning vehicle as German infantry overran the position. In an hour it would be dark, and the noise of battle subsided. Undaunted, Daniell climbed into his 8cwt truck, still miraculously serviceable, evaded four Mark VI tanks and headed south for the open desert. The wheels were blown away by an 88mm machine gun, and a German sergeant shouted to him to join his post. Daniell walked off into the dark with his water bottle and the sergeant didn't open fire. Several days later, in very poor shape, he was picked up by the sole survivor of the Battle of the Cauldron, by Gerald Grosvenor, a friend, in his tank.

After the battle of El Alamein Montgomery offered him the command of 3rd RHA. Daniell passed through Amiens and Brussels and eventually Antwerp, averaging 53 miles a day. The advance into Holland, and on to Arnhem, was slower with lines of communication stretched to the limit. It was on 19 April 1945 that Daniell passed a group of buildings, some railway wagons, and an airway of laurels guarded by Romanians. Having earlier seen similar wagons in Normandy, when he had liberated a trainload of Jews bound for Germany, his suspicions were aroused and he asked Harvey for permission to investigate; he was given two hours. Driving his tank through the gate he discovered Belsen. It was the only concentration camp that Daniell won his first DSO.

On his return to England in July 1945 he was given command of the 13th HAC, RHA. There was little time to prepare for the invasion of which they were so soon to be a part.

Only the toughest of fights enabled the 11th Armoured Division, commanded by Harvey, to break out from the Normandy beach-head. Operation Goodwood got three armoured divisions across the Orne near Caen and Quare Bras was taken in spite of heavy casualties.

After the battle of El Alamein Montgomery offered him the command of 3rd RHA.



Brigadier at Arms: Daniell in old age

Photograph: Tom Pilston

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At last the division reached Lübeck. Orders were received to proceed to Kiel, and in one of the last acts of the war Bob Daniell single-handedly captured the crew of the scuttled U-boat 141, whom he found hiding in a barn.

After the war he remained in the Army with commands in Norfolk and Kent, until he was appointed to the Sovereign's Body Guard in 1951. He served as a Gentleman at Arms for 20 years.

William de Segundo

Robert Brumston Thesiger Daniell, soldier: born London 15 October 1901; DSO 1943, Bar 1944; married 1929 Betty Priestman (died 1994); died Bury St Edmunds, Suffolk 11 December 1996.

and segregated Alabama, and both were forced north to develop their talents - Owens to Ohio, Peacock to New Jersey, where in 1933 he set a state standard long-jump record of 24ft 4in that survived until 1977.

But the pair's real fireworks however came two years later. First, in the space of just 45 minutes during a college championship meeting on 25 May 1935, Owens turned himself into a global superstar by breaking five world records and equalling a sixth within the

space of 45 minutes. He seemed invincible - at least for six weeks until the national amateur championships in July when Peacock first beat him in the 100 metres in a wind-aided world record time of 10.2 seconds, and then captured the long jump with a leap of 26ft 3in.

That year, out of 10 track and long-jump meetings with Owen, Peacock won seven, and in the 100 metres did not lose to him over the three years until his hamstring went, just before the 1936 Olympic trials. "What can you do?" he said later. "I couldn't stand any tears, it happened and that was it... Sure I was disappointed, but you can't spend your life thinking about what might have been." What might have been, in the view of his peers, was one if not both sprint titles in Berlin, and a second black athlete to destroy the Hitlerian myth of Aryan supremacy.

Such was his friendship with Owens that the two jointly owned a wholesale meat packing business in Harlem and the Bronx, before Owens died of lung cancer in 1980. Seven years later, Peacock was belatedly elected into America's Track and Field Hall of Fame, in which he served as a Coast

Guard, prevented the Olympics of 1940 and 1944, and by the time of the London games in 1948, he was far past his best. Thereafter he kept in touch with the sport by officiating as a judge at athletics meetings.

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Eulace Peacock

but the last years of his life were marred by Alzheimer's disease. Denied gold medals and the role of hero at the most infamous Olympics ever, his true legacy is a tribute from Owens: "Eulie, when we were running, I got to the point I couldn't beat you. I could beat them all, but not you."

Rupert Corwell

Eulace Peacock, athlete: born Dothan, Alabama 27 August 1914; died New York 13 December 1996.

Spent convictions admissible in evidence

LAW REPORT

19 December 1996

ages for assault, damage to property, false imprisonment and malicious prosecution.

It was a matter for the discretion of the trial judge whether a plaintiff's spent convictions should be admitted in evidence under section 7(3) of the Rehabilitation of Offenders Act 1974.

The Court of Appeal dismissed an appeal by the plaintiff, Gabriel Thomas, against the decision of Sir Michael Graydon, Chief of the Air Staff, presiding at a dinner held yesterday evening at the Air Force Club, London W1, to the retirement of Air Marshal Sir Roger Austin, Controller of Aircraft.

The plaintiff, a limbo dancer of considerable reputation, was arrested at 2 am on the morning of 28 May 1990, as he left the stage door after giving a charity performance at the London Arena in Docklands, and was charged with threatening behaviour. He claimed he was subjected to abusive and racist remarks, brutally man-handled and arrested without lawful cause. The arresting officers denied this and denied they had used excessive force.

The plaintiff was tried for the offence of threatening behaviour and was acquitted. He then sued the police claiming damages for assault, damage to property, false imprisonment and malicious prosecution.

The judge allowed the evidence to be admitted on the ground that the plaintiff gave the impression of being well spoken and respectable and in

view of his convictions that might leave the jury with a false impression of his reliability and credibility.

At the trial of his action before the court, the question was raised, in the absence of the plaintiff, whether two previous convictions of the plaintiff could be put to him in cross-examination. One, from 1980, was for unlawful wounding; the other, from 1983, for criminal damage. Both convictions were spent for the purposes of the Rehabilitation of Offenders Act 1974 so that, by virtue of section 4 of that Act, they could not be admitted unless they fell within the exceptions provided for by sections 7 and 8. Section 7 provided:

(3) If at any stage in any proceedings before a judicial authority in Great Britain... the authority is satisfied, in the light of all the circumstances, that it appears to it that the relevant conviction or convictions... that the authority may admit... the evidence...

The question raised by section 7(3) had to be answered by the judge although it was not a matter of law, nor could it be answered by logic or by any process of reasoning alone.

A negative answer would be required where the previous conviction was so obviously ir-

relevant both to the issues in the case and to the moral standing of the witness that a reasonable jury could not properly take it into account when deciding whether to believe him or not.

But the interests of justice were synonymous with a search for the truth, and the judge had to recognise that a reasonable jury might take a wide range of factors into account when deciding which witness to believe and therefore where the truth lay. It was also his responsibility to consider whether the likely significance of the fact of a previous conviction in the jury's eyes was such that they might be unfairly prejudiced against the witness in question.

If the evidence had any relevance, it had some potential for prejudice. The degree of relevance could be weighed against the amount of prejudice and other factors could be taken into account.

In the present case, the judge should have a full picture of the plaintiff and his history, not limited by his deemed good character under section 4 of the act. His decision was a valid exercise of his discretion under section 7(3).

Paul Magrath, Barrister

Birthdays

Sir Anthony Buck OC, former MP for Mr Rowland, chief executive, Unigate; 44; Mr Timothy Eggar MP, Minister of State, Trade and Industry; 4

The gloves come off in the playground scrap

Hark, amid the sound of Christmas sleigh-bells comes the sound of playground bickering. That, at least, will be the verdict of most of the public on this week's wrangles at Westminster. The fact that voting agreements between the political parties broke down to recriminations from all sides will seem to most people like just another boys' game.

But the parliamentary games that politicians play are not all to be sneered at. It would be easy to recoil in squeamish distaste at the tactics that these professional politicians are starting to exploit. But we cannot dismiss out of hand the escapades this week. Events at Westminster reflect important and real political tensions between the parties that must stand before us next year and ask for our votes.

On the surface, the playground analogy is rather appealing. Parliament is run most of the time according to unspoken, unwritten rules that everyone obeys. A certain amount of agreement and cooperation between the parties is essential if anything is to be done, and if MPs are not to waste their time and energy running pointless circles around each other. "Pairing" is one of those rituals: parties match their MPs who want to miss the vote, so absent votes cancel each other out. Such rituals are necessary to oil the parliamentary process.

But, as the election draws closer, those agreements are grinding down.

On Monday night the Conservatives won the vote by more than expected, by deceiving the opposition parties about how many Tory MPs would be absent. Caught red-handed, ministers cheerfully denied everything and muddied the waters by making false accusations against Labour's whips in return. Not surprisingly, in response, Labour and the Liberal Democrats have announced that they will not be pairing MPs with absent Tories in the new year. Tit for predictable tat.

The animosity is personal, too. The bi-weekly dispatch box encounters between Tony Blair and John Major have taken on a vitriolic tone in recent weeks. The sneering tone with which the Prime Minister patronises and accuses the Labour leader is undignified. Contempt oozes from every pore. But Mr Major can't quite carry it off. Admiring Mr Blair for being unable to "understand the situation on beef", for example, is rich coming from a Government that has changed direction on beef so many times that none of us are sure what the Government is up to – if it knows itself.

But when all is said and done, it does seem childish, all this indignation and cheating. Recounting their squabbles, the politicians seem like over-excited children, screaming because the end of the game is in sight. Don't be misled. It's serious. Underlying the spat are two important facts: the Government lost its majority in Parliament this week, and

the Conservative Party is too fractured and fractious to hold together reliably under pressure. The loss of its majority reflects the public sentiment. The fractures in the party reveal tensions and problems in their ability to run an effective Government. These are not trivial troubles; they go to the heart of politics.

In the circumstances, an opposition party that truly believes in itself and its ability to govern has a responsibility to try to bring the Government down at the earliest opportunity. And a party that really thinks – as Labour claims to do – that it has a better vision for the country, should not flinch from parliamentary

tactics that help to win the wider battle. If that means dragging debates into the middle of the night, holding votes at strange hours, proposing sabotage amendments, and doing whatever it takes to harry and harass ministers into making mistakes, then so be it. These are the circumstances in which that master of parliamentary procedure, Dennis Skinner, should really come into his own.

There is nothing unfair or underhand about this kind of strategy. If John Major's government proved cool-headed, calm and competent, an opposition guerrilla war would have little

impact. All Labour and the Liberal Democrats would achieve is pressure on existing weaknesses and strains within the Government, legitimately testing its real mettle in difficult times.

That is what the Opposition should be doing – but it is not. Instead, this week the Government fired the first shots. When battle intensified at the personal and party level, it was the Tories who started it. Labour and the Liberal Democrats were too squeamish to begin the fight, too ready to pull punches, too unwilling to go for the Government's throat. Maybe now things will be different. Maybe the startling deceit and brazen lies by the Conservative whips' office will provoke the Opposition into a little ferocity. Perhaps Mr Major's patronising personal attacks will inspire a little fury in Tony Blair. Not before time. Labour needs to learn how to play parliamentary hard ball to demonstrate to all of us that it has the appetite for power, and deserves to govern.

All these macho metaphors are unfortunate. We use them with great self-consciousness and a strong awareness that important issues can get lost in the heat of the fight. Parties which are sensitive to voters will avoid taking guerrilla tactics on to the streets, knowing that none of this goes down well with voters already badly disaffected with yah-boo politics. Nevertheless, politicians cannot stick to pleasant abstract chats with voters while ignoring the unpleasant real-

ities of the parliamentary cockpit. Substantive arguments about different policies and priorities are important. But until our present political system is reformed, Parliament remains the theatre in which those differences are fought out. In the end, this battle matters, because two party leaders are fighting for the right to decide which one determines our national future on one of the biggest issues of the day: our future in Europe. Parliament, whether we like it or not, is the proving ground.

A girl-friendly computer game?

Surprise, surprise: girls are turned off by computers. Gender equality in information technology is decades away if their antipathy to video games and the Internet lasts into later life. Women may miss out on a growing segment of modern life. But, wait, is that a dashing woman coming to the rescue? One of this Christmas's smash hit computer games is Playstation's "Tomb Raider", and its central character is the undeniably female Lara Croft – the first woman action hero. With her guns and big bust she is, it's true, somewhat stereotyped. But if she can help break down the maleness of computer gaming, let's give Lara a warm welcome.



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LETTERS TO THE EDITOR

Blair can save Europe from nationalists

Sir: The leader of the Labour Party has intoned the mantra of "standing up for British interests" in the European Union ("I'll use the Euro veto, says Blair", 16 December). This implies that our interests are different from those of Europe. They are not.

The EU faces acute dangers on several fronts. First, the rise of nationalism and xenophobia, which is shamelessly encouraged by the majority of the press in the UK, by much of the Conservative Party and by far-right groups throughout Europe.

Secondly, the threat of stagnation and decline in Eastern Europe, where the EU must encourage trade and the continued political and economic development which will facilitate the eastern enlargement of the Union.

Thirdly, unemployment, currently at 22.5 per cent across the Union. A co-ordinated European initiative, encompassing a well-constructed Economic and Monetary Union, is the only sensible suggestion for offer for creating jobs. Employment deregulation would not be enough.

The United Kingdom has much to offer in all these areas and much to gain. A future British government must fully engage in ensuring the sound construction of EMU. Monetary Union and an effective European Central Bank might even succeed in breaking the hegemony of the City and banking interests in the United Kingdom, for so long short-termist and anti-industry.

Furthermore, the next government should assist in improving the democratic accountability and effectiveness of decision-making in the Union. Hitherto the British government has been uniquely obstructionist, which is hardly surprising from the most centralised state in the industrialised world.

The Labour Party must not make the same mistakes as the Conservatives in perpetuating the "us and them" view of Europe. A huge effort is required to win back the initiative from the nationalist right and the anti-Europeans. If Blair is afraid to take up the challenge, then at best Britain is heading for marginalisation, a further decline in our international role and no say whatsoever in the development of the European Union. At worst, we may act as midwife to a process of European disintegration. Only those with an Alice in Wonderland view of the world and a total blind spot for European history can welcome the prospect.

SIMON SWEENEY
Senior Lecturer in European
Integration Studies,
University College of Ripon and York
St John
York

Sir: John Lichfield hits several nails on the head in his excellent essay on European Union enlargement to Eastern Europe ("Europe: how the East was lost", 16 December). Unless there is fundamental reform of the EU's institutions and policies, enlargement could be "botched or abandoned". However, it needs to be spelled out more clearly that it will be the financial cost of enlargement that determines whether the process goes ahead or not.

In Strasbourg recently the European Parliament voted on a



Budget Committee report concerning this subject, concluding that if enlargement is to work, current member states must be committed to paying for it. Unfortunately, this means not just reforming the CAP and structural funds, but also facing up to the fact that extra cash needs to be found if the EU budget is to be able to sustain enlargement.

Grandiose political pronouncements in Dublin and elsewhere have failed to answer the real question: what price enlargement? For as long as member states' governments fail to address this issue, any promises they make to the countries of Eastern Europe are empty ones.

TERRY WYNN MEP

Socialist Group Spokesperson on Budgetary Affairs, European Parliament

Brussels

Sir: Noting Sarah Helm's article on Cointelrap scepticism towards the European Union ("The British have been led to believe only they are sceptical about Europe", 12 December), I was most surprised to discover that British support for the EU had risen to 43 per cent in the wake of the beef crisis.

I come from a region that has been bled white over decades of lack of British inward investment; a region that has benefited greatly from recent economic support from Brussels. I am grateful to discover that I am increasingly not alone in welcoming wider European integration, despite the misgivings about the possible destabilising effect of the euro. Caught between a farming industry that thinks it perfectly acceptable to feed the ground-up

remains of diseased sheep offal to animals (and then become totally absent-minded about it) and a prevaricating British government, I must be one of many British citizens who increasingly look to Brussels for protection from these appalling people.

DAVID R PARRY

Liverpool

Sir: May I use your columns to say how handsome I find the new euro banknote ("Dusk or dawn for Europe?", 14 December)? I do understand and sympathise with the distress which they must be causing British nationalists – all this symbolism of bridges between nations, and all that foreign architecture and those foreign historical periods.

ERIC CELSTOB

London E1

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would not suggest the erection of a slavish replica on the St Pancras site.

Nevertheless, if it is intended to go ahead with the present plans for the Reading Room, the interior furniture and fittings should be carefully removed and incorporated in a new structure forming an annex to the British Library. Here they could continue to perform a useful function with a degree of dignity which we fear will be missing in the revamped original.

MALCOLM CAMPBELL

Chairman, Camden Civic Society

London NW1

Sir: May I use your columns to say how handsome I find the new euro banknote ("Dusk or dawn for Europe?", 14 December)? I do understand and sympathise with the distress which they must be causing British nationalists – all this symbolism of bridges between nations, and all that foreign architecture and those foreign historical periods.

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steadily being questioned or disregarded by its own members. Contraception is a debate for the theologians, not the laity. They have already voted tacitly with small nuclear families, or by their absence from the confessional, and of course the priests and hierarchy know it.

The central authority of Rome, and the orthodoxy at the papal centre too, are continually under question in Western Europe, the United States and South America – which points to a real as opposed to a fake subsidiarity slowly taking place. Right-wing assertiveness will not do, nor the deferential bowing in the administrative and doctrinal structures of the Church.

Presumably right-wing political

refugees see some comfort in the Roman Church's religious stances of the far right – but beware, beware: we have a middle ground and a far left, too.

MRI T W MESSINGER

Hove, Sussex

Sir: It was good to see Jack

O'Sullivan getting the rush to the

Roman Catholic Church by the

Anglican right into perspective

("The resurrection that never was", 10 December).

One cannot question their personal motives, but they will out and the Church the safe haven they imagine. At a personal level, as a Roman Catholic myself, I think we should have women priests; I frequently share communion with Anglican friends; I think celibacy for priests should be an option; and I think we should have radical options for the poor. I would guess I am not alone.

Moreover, at a structural level,

the authority of the Church is

The name was abbreviated to *thaler* and then turned into its Dutch form, *daler*, before entering English as "dollar" before 1600 and becoming the common English name for the peso or eight-real coin, better known as the "piece of eight".

Popular with Long John Silver, the piece of eight was the common currency of Spain and its American colonies, and had come into general use throughout the British colonies of North America by the time of the American Revolution in 1776. (Proof, by the way, that sharing a currency with others does not preclude independence in the administrative and doctrinal structures of the Church.)

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refugees see some comfort in the

Roman Church's religious stances

of the far right – but beware,

beware: we have a middle ground and a far left, too.

JIM MANGLES

Worthing, Sussex

Sir: The \$ sign did not begin life as

a river running between two banks.

It started as a xenogram, a foreign

word written as such

pronounced as if it were English.

You wrote "peso" but you said "dollar".

"Pesos" was abbreviated as "ps".

and this abbreviation was gradually

formalised into the present

ligature. In the same way we write £

(an ornate L for Latin *libra*) but say "pound", or write & (an ornate

ligature of Latin &) but say "and".

In the 18th century the Spanish

peso was the most frequent high-

value coin in circulation in British

North America and "dollar" (from

the German *thaler*) was colloquial

English for any foreign coin of

substance.

The name comes from the

German coin the *Joachimstaler*,

named for Joachimstal (Joachim

Valley) in Bohemia, where they

were first minted in 1519.

Sir: Sara Clark's explanation for

the origin of the \$ sign (letter, 18

December) may be appealing, but is

only partially correct; the real

explanation is equally appealing

and more romantic.

The name comes from the

German coin the *Joachimstaler*,

named for Joachimstal (Joachim

argument

Europe's where the action is

by Kenneth Clarke

Why did we join the European Community in 1973, the European Union today? Ours must be the only country where, nearly a quarter of a century after accession, that question still needs to be asked.

For those of us who can recall the 1950s and 1960s, the experience of missing the boat - being locked out, and then eventually getting in only after many of the key decisions had already been taken by others - has shaped our whole attitude to Europe.

Today we are becoming prey to a mythology that we joined only an economic community, with no serious political dimension, and that the purpose of our membership was uniquely economic. That is not the case. Our motives were political to the extent that, as Macmillan put it at the time, through membership "this country would not only gain a new stature in Europe, but also increase its standing and influence in the councils of the world". Unless the UK joined, "the realities of power would compel our American friends to attach increasing weight to the views and interests of the Six in Europe ... and to pay less attention to our own... To lose influence both in Europe and Washington, as this must mean, would seriously undermine our international position."

The political dimension of the European Community we entered in 1973 had a second component, above and beyond maximising our influence in world affairs. It involved the explicit pooling of some legal sovereignty in limited and specific areas set down in the Treaty of Rome. This was a conscious political decision, and its full implications were discussed extensively in Parliament in debates during 1971-72, in which I listened for hours in my role as a government whip.

Economics did, however, feature large in our reasons for joining. The economic rationale

was very powerful indeed. We knew that access to a much larger market, the absence of internal tariffs, and the removal of non-tariff barriers would give our business the chance to enjoy economies of scale on a truly continental scale - and our consumers access to a wider choice of goods at more competitive prices. The single market programme of the 1980s, to complete the common market of the 1960s, has made that a reality, and enabled our people today to reap the benefits of far-sighted economic policy.

The result is that today, 60 per cent of our trade in goods, and over half of all our trade, is transacted with other EU states. That compares with 40 per cent of our trade when we joined. Since 1973, the growth in UK exports to EU states has been twice as rapid as to the rest of the world.

Today, Britain's visible exports to Germany alone equal those to the United States and Japan combined.

We export more to France than to the Commonwealth, and more to the Netherlands than to all the newly industrialised Asian countries put together. Supplying the European market has become a key motor of British prosperity.

And to those who claim that, throughout all this, our trade deficit with the EU has widened, the facts actually prove the opposite. As a share of GDP, the UK's trade deficit with our EU partners has shrunk since we joined, our growth, even though our overall trade with these countries has more or less doubled.

The clear pattern over the past quarter century has become one of growing British economic interdependence with the EU, and also of growing economic convergence with our partners. For many years, we were falling behind France and Germany in living standards. That process has now been reversed. Over the last cycle, our output per head outpaced that of both countries. And in manufacturing performance the improve-

ment been more spectacular still. In the 1970s our manufacturing productivity grew at half the rate of France and Germany. In the 1980s and 1990s, we have exceeded it.

We are beginning to match the stability achieved by our most successful partners in their general economic management, and we in turn are leading the way as a model for liberalising supply-side reform.

But UK membership of the world's largest single market place has been of vital importance in enabling us to obtain the full benefits of that liberalising reform. Since the major strides made in completing the single market, Britain now has a tailor-made homebase of more than 370 million of the world's richest and most demanding consumers on its doorstep. In value terms the single market is one and a quarter times the size of the US market, and two and a half times the size of that of Japan.

Here in Britain, our domestic market is now the European market. However much we may like to criticise Europe in this country, every sensible Briton needs Europe's customers, and knows that he or she depends on them for their prosperity.

Ironically, as we engage in a seemingly endless political debate over our rôle in Europe, the economic debate is largely over.

Business sees that Europe is where the action is commercially, and consumers see it, too.

Europe offers us a growing opportunity to excel economically, and the best is yet to come.

It is precisely because the United Kingdom has been engaged in radical supply-side reform, charting a path which others now have to follow, that we have managed to get ahead of the game. With a more flexible labour market, more deregula-

tions product markets, a larger and more efficient capital market, a smaller state sector, as well as lower corporate and personal taxes than any of our principal European competitors, Britain now stands in an ideal situation to draw real economic gains from the continental market which we have helped build

The continuing success of the UK as a centre of inward investment is a striking illustration of the enterprise-friendly environment we have been fostering. In the single market, Britain has now been the largest recipient of non-EU investment for several years. Some 40 per cent of Japanese and US investment in Europe, and 50 per cent of South Korean investment, comes to Britain. During the 1990s, the UK has received as much inward investment as Germany, France and Italy combined. The total inward investment stock in the UK from all sources now stands at more than £150bn. It has brought about 700,000 jobs to the UK since 1979, most of them in recent years.

Inward investment has been very good for British business. We have become Europe's biggest net exporter of televisions, computers and microchips. We are now a net exporter of motor cars. Compared with British-owned firms here, inward investors in the UK boast wages a quarter higher, value of product per head a third higher and net capital expenditure per head twice

as high. Because of inward investment and ease of access to the UK market, no less than 40 per cent of UK exports are now generated by foreign-owned firms.

Internationalisation has consequences. It links you closer to others and reduces your capacity to take independent actions that contradict the interests of others. And Britain in the mid-1990s is a very internationally-oriented economy indeed. We are more dependent on foreign trade than any other large industrial economy. We are a larger recipient and generator of investment flows as a share of GDP than any other G7 country. Our economy is exceptionally orientated towards the financial services sector, which now accounts for no less than 17 per cent of the UK's GDP.

Economically, we must continue to make change our ally, technology our friend. But equally, I believe you cannot be the enterprise centre of Europe without being centrally involved in every economic and political debate in Europe.

I believe that our continuing and future economic success, exploiting the opportunities of our enterprise economy, depends to a significant degree on Britain being and staying a key player in the politics of our continent.

People do not invest in Britain, they do not acquire our companies, they do not create new jobs in this country just because they like to play golf or practise their English. They do it because they see Britain as a high-skill, low-tax, flexible, business-friendly entry-point into the big, rich consumer marketplace, which is Europe today. For them, as it should be for us, the words "Britain" and "Europe" go together. One leads to the other. Doing well in Britain means doing well in Europe. Good economics and good politics in Europe, as at home, go hand in hand.

As a country we cannot choose to live by the European marketplace economically and then exclude ourselves from discussion of the political future of our continent. That is the part of those who would seek British withdrawal from the EU or a fundamental renegotiation of our membership terms. It is one which we rightly reject.

The decisions being taken in Europe daily are too important for us to stand aside from them. We have a huge vested interest in how Europe's single market

and competition policy operate, what trade policies Europe pursues, what environmental standards it sets. It matters to us deeply what Europe's foreign and security policies are. Inside the EU or outside it, at the heart of Europe or at its edge, we will be affected by the choices made by our partners. We need to be - and we want to be - in there, arguing as a committed member, determined to advance British interests and build a Europe that works.

In arguing for Britain to be and remain a key player in Europe, I believe that we need to become more confident as a people about what we have to offer Europe, what we have to gain from Europe and what our chances are of success in Europe.

Certainly Europe is not, and never will be, the be all and end all of either our economic success or our political power as a country. But, properly structured, it offers a serious opportunity for Britain to continue to punch substantially above its weight in world affairs - a world in which we, and some other European countries too, might otherwise find our influence gradually eroding year by year. In this country we represent only 1 per cent, and failing, of the world's population. Somehow I think we want to continue to enjoy a lot more than 1 per cent of the world's prosperity and power.

The future institutional design of Europe remains open. Malcolm Rifkind said last week, in a striking phrase, that Britain wanted the EU to be more than a free-trade area and less than a federal state. In fact, that is its current shape, and one which we have helped mould, with sovereignty-sharing in some areas and inter-governmental co-operation in others. That must be right. And the encouraging thing is that a good number of our partners share that view.

Finally, I would like to say just a few words about monetary union. I have argued that Britain joined the EU for both political and economic reasons, that Britain is exceptionally well placed to succeed economically in Europe, that capitalising on that advantage means remaining a key player in Europe, politically as well as economically, and that Britain has already exercised a significant effect on the political and economic shape of Europe as it evolves. It follows from all these propositions that the Government's policy on EMU is right. It would be contrary to British interests to rule out now, on any specific timescale, participating in the next important development that may occur in Western Europe: the creation of a single currency. That is our position, and we will stick to it.

This is an edited extract of a lecture delivered by the Chancellor of the Exchequer yesterday at the Royal Institute of International Affairs.

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SONY

For those who were paying attention ...

Quis time again! Yes, this is our traditional Christmas quiz and this is the traditional time of year when you cut out this special topical Christmas quiz and put it to one side, then spend most of Christmas Day looking for the Christmas Quiz you cut out on December 19th and haven't seen since!

The questions are all based on a knowledge of what happened in 1996, which means for instance that if you have been doing a lot of research into 1929 you'll be at a bit of a disadvantage, so we've put one in specially for you.

Here we go then with our Grand 1996 Topical Quiz!

1. Who said the following in 1996?

a) "Well done, Brian - everything seems on course for the next election!"
b) "Yes, John - as chairman of the party I've done everything possible to ensure we get back in power!"
c) "Just a mo, just a mo, Brian - I thought I had told you that the whole point of

the campaign was to make sure we handed the whole mess over to Labour?"
d) "I thought you were joking, John."

e) "I never joke, Brian. Why do you think I've kept Michael Howard in office so long? To court popularity? We're trying to lose the election!"

f) "Well, I'll be doggoned!"
g) "Very possibly, Brian, very possibly. Incidentally, are you a real doctor?"

2. Organisation was laid-back at the 1996 Olympics in Atlanta, Georgia, that a bus drew up yesterday, December 18th, at the Olympic stadium and disgorged the French volleyball team six months after they were due to be delivered!

True or false?

3. Ernest Saunders, once thought to be suffering from senile dementia but now not thought to be, had his trial declared unfair by the European Court of Human Rights. On what grounds?

a) The judges are all suffering

from senile dementia;
b) to give John Major another humiliation;

c) because Guinness now owns over 51 per cent of the shares in the European Court of Human Rights.

4. When the farmers were asked what they thought of the Government's policy on BSE, to which part of which animal did they compare it?

a) The judges are all suffering

from senile dementia;

b) to give John Major another humiliation;

c) because Guinness now owns over 51 per cent of the shares in the European Court of Human Rights.

5. Investigators into the TWA crash off the coast of

a) The judges are all suffering

America now think that the most likely cause was:

a) bad design;
b) bad luck;
c) OJ Simpson.

6. The fire in the Channel tunnel which put it out of action was caused not by a train at all but by a burning lorry, yet it is seen by everyone as a train accident not a road accident. Do you think this was:

a) Fair?
b) Reasonable?
c) Put there secretly by the ferry operators?

7. What was the name of the film that was so violently blasphemous that the European Court of Human Rights refused to give it a clean bill of health?

a) "St Teresa Gorman and her Battle to Get Mock-Tudor Planning Permission"
b) "The Erotic TV-induced Nightmares of Virginia Bottomley"
c) "Madonna's Baby's First Interview"
d) "Matinec on the Bounty"

8. Explain how the new

Secretary General of the United Nations, Kofi Annan, is related to Lord Noel Annan.

9. Under the new voting procedures in Parliament, which the Labour and Lib Dems have forced on the Tory party, David Mellor MP is now paired with:

a) an elderly Tory MP who died several years ago;
b) a small arms firm in Düsseldorf;
c) a large roundabout near Darmstadt.

10. What is *Crash*?

a) A new book about the next election?
b) The sequel to *Trainspotting*?
c) A controversial film about a French lorry driver?
d) Beryl Bainbridge's new novel about the Wall Street Crash.

More Christmas Quizzes: questions coming soon! Keep your eyes open for them! And, meanwhile, if a tall dark stranger offers you emergency pairing arrangements - have nothing to do with him!

1996 is 1996

the commentators

Who needs a euphemism for Christmas?

I have just returned from the United States, where Christmas is in full spate. Except that it isn't Christmas. It's "The Holiday Season". Carols are crooned from every shop entrance and blare from Timbys on street corners. But they aren't quite *Christmas* carols. They are redolent of the jangling sleigh bells and jingling cheer, but the message is oddly coy when it comes to religious specifics. Stampedes of red-coated reindeer convey their red-checked Santas through thickets of holly, spangled with giant snowflakes, escorted by squadrons of robins. But you'll find precious few mentions of Jesus or Mary or even shepherds or Wise Men from the East, and certainly no reference to the intricate theology of the Incarnation. When you telephone hotel reception, before the inevitable (and unslightly maddening) "How may I help you?" you get a seasonal greeting as a bonus. Happy Holidays! Not Happy Christmas or Merry Yule tide but Happy Holidays or, in its full version, "Happy Holiday Season".

The first few times I experienced this meaty-mouthed evasion, I queried it. Putting on my most innocently testy John Cleese voice (I just love your English dialect) I inquired exactly what was this "holiday"? Could it be Labor Day? Veterans' Day? St Patrick's Day (otororously a tradition as American as apple pie, celebrated with green beer garnished with plastic leprechauns)? Was it the birthday of George Washington, or perhaps another from the pantheon of birthdays that stud the oothoal calendar? No? Oh, I see, of course, how silly of me, you must mean Happy Christmas. But of course we mustn't call it that; must we, because that would cause offence and "hurt" to the Jews (Muslims, Hindus, Hare Krishnas, etc.)

The constitutional separation of church and state has not stopped America becoming the most religious country in the (otherwise) civilised world, and in a number of court cases litigious representatives of non-Christian religions have sued local governments for erecting cribs or nativity tableaux in public places. Presumably, working on the alternative principle of "if you can't beat them, join them", other Jewish groups on both sides of the Atlantic have pressed into service the minor festival of Chanukah, which happens to fall conveniently at the right end of the year (Chanukah or Hanukkah actually commemorates the purification and rededication of the Temple by Judas Maccabeus around 165BC, after its pollution by the Syrians). As long ago as 1902 the *Daily Chronicle* noted that "The feast of



Richard Dawkins
In their desire to be inoffensive, Americans have set the pace for meaningless holidays

"Hamucha", or dedication, is celebrated by the Jews this year simultaneously with Christmas," and in 1958 a writer in the *Times Literary Supplement* suggested that "A common term between Christians and Hanukkah has to be found" Evidence "Holiday Season" is a (feeble) bid in that direction.

British commentators now suggest that nativity plays are outdated in a society with so many religions. On the other hand, a few Christmases ago, the *Independent* carried a charmingly ecumenical picture in which the roles of the Three Wise Men were played by "a Sikh", "a Moslem" and "a Christian", all aged four. Charming the children themselves genuinely were. What I find less charming – indeed it is little short of an outrage, if you think about it – is the implication in the caption that a four-year-old child is in any position to have developed theological opinions. Do we speak of a four-year-old monetarist Eurosceptic, a four-year-old dialectical materialist or a four-year-old neo-Kantian? Such ideas are laughable, yet we accept "Muslim child" or "Christian child" without flinching.

If a child is the child of an atheist, does that make her an atheist child? Of course not; the very idea groans with sinister implications of indoctrination. For this reason, most educated atheists (and, by the way, have you ever met an uneducated atheist?) bend over backwards to let their children join in the religious life of their schools. Pupils who are withdrawn from religious classes or services are not withdrawn by atheist parents. They are withdrawn by parents belonging to rival religions, presumably the same types who sue local councils for celebrating Christmas (and when did an atheist ever do that?).

As for children who are withdrawn by their parents from biology classes where evolution is taught, they are surely victims of an educational form of parental child abuse and are entitled to protection by the state. But will anybody stand up and say so? They will not, because the kind of people who might think it are nice, liberal intellectuals, and nice liberal intellectuals are scared to jelly of being caught not "respecting" religious conviction. Any other sort of conviction you can examine with a critical eye, and you can use your intellect to take it apart if it is found wanting. But if a conviction turns out to be a religious conviction – Whoa, back off! Religious conviction doesn't have to defend itself. It doesn't have to justify itself. You just have to respect it, period.

Even making fun of its antics at Christmas time is in the grossest bad taste.



Replacements for Jesus: graduates of a school for Santas in California

Virgin's virgin, right, had a white veil and a sad expression, when all you really need is a parthenogenetically developed ovum and a back-mutation to testosterone sensitivity

It's time somebody came to the defecate of the Virgin Mary. I think what made my mind up was the experience of watching her being manhandled across the stage during the Christmas play at my children's school the other day. She was a tiny demure vision in blue (played by Alice, aged five), carrying a doll Jesus with an abstracted air, her waist encircled by the arm of my son Max, who was playing St Joseph (usual £10 to form mistress) as if the divine carpenter were an ageing rogue intent on finding a fashionable wine bar rather than a manger.

But as I looked at Alice/Mary – a traditionally non-speaking, endlessly puttoon role in Nativity plays – it occurred to me that the Mother of God has been getting a terrible press lately. Forget the obvious stuff – how, for instance, her most beautiful nickname has been so totally co-opted by Ms Ciccone. Worse is the way her image is so casually abused by marketing departments.

When Virgin Records decided they needed a special Christmas thrust, they grabbed a (frankly rather experienced-looking) babe in a Virgin T-shirt, put her in a white veil, gave her a sad expression and appended a banner saying "All you need is... Very subtle.

Then the "Churches Advertising Network", whom I take to be some ecumenical convocation of marketing-minded clerics, festooned the hoardings of central London with their "Bad Hair Day" joke ("You're a virgin, you've had a baby, then three kings show up"), the kind of sally that comes from people who have heard of the concept of humour without knowing how one actually goes about it.

One thinks of the uncomplicated affection with which, in more devout days, one used to regard the Queen of Heaven and one cannot but feel rather appalled by this thick-eared, block-headed *les-majesté*. Then *Science and Christian Belief* (I get it for the loaves and fishes recipes) ploughs through the door. Seeking to answer the cavils of some sceptical Christians who doubt that Mary could have stayed a virgin while conceiving Jesus, a credulous genetics boffin called Sam Berry from University College London tries to explain the genetic circumstances of "virgin conception". It's an uphill struggle.

"The mechanisms I have outlined," says the Prof nervously, "are unlikely, unproven and involve the implication that either Jesus or Mary (or both) were developmentally abnormal."

There follows a hailstorm of chromosomal acronyms, XYs and XXs flying around like typewriter cancellations, and a lot of stuff about genetic mutation. I was sorry to hear that Edward Blishen had died. The possessor of the most amused voice and most mobile eyebrows in mediæval, he was also a plausible candidate for the title of Nicest Man in the World.



Prof Berry sees Mary as an androgynous mess, sterile and wombless but with the capacity to develop human eggs. If this happened and if the ovum developed parthenogenetically, he writes, clutching at straws a little, "and if a back-mutation to testosterone sensitivity took place, we would have the situation of an apparently normal woman giving birth, without intercourse, to a son."

Well done, Sam. I think we all feel a great deal better after that. Myself, I'm happy to leave it a mystery, of the interpersonal rather than the genetic kind. It's ages since I went near a Catholic church, but I'd prefer it if the Virgin Mary were allowed to keep her secrets. Remember Charles Causley's poem "The Ballad of the Bread Man", in which the neighbours speculate rudely about her pregnancy? They wonder about Joseph ("The old man's past it," the neighbours said) / That girl's been up to no good") and the angel Gabriel ("And who was that elegant fellow? / they said, 'in the shiny gear'") and look for an answer. They don't get one:

"Mary never answered / Mary never replied / She kept the information / like the baby, safe inside." Merry Christmas.

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Blishen: Good Egg

Readers of his multiple autobiographies will know the self-deprecating warmth that came off the pages as he described his runs-ins with schoolboys, supply teachers, Civil Service types, army personnel and his appalling

She was a tiny demure vision in blue, carrying a doll Jesus with an abstracted air, her waist encircled by the arm of my son Max

john walsh

From a series of zigzag angles, it resolved itself into a walking stick. "Oh Maeve, how splendid," breathed an entranced Blishen, "a telescopic shillelagh."

Like right-thinking people everywhere, I have no truck with terrorists. I abhor the use of violence to further political ends. I cannot condone the deployment of force in the service of a higher good. The rhetoric of the so-called freedom fighter cuts no ice with me.

And I have no clue about the precise nature of the demands being made by the Tupac Amaru, the Peruvian organisation that interrupted the ambassador's reception in Lima on Tuesday night with a burst of gunfire, having infiltrated the party by dressing as waiters. But I cannot help feeling a small instinctive empathy about their invasion of the diplomatic circuit. I mean, somebody had to do something about that horrific bald butler. Someone had to upset that idiotic pyramid of gold-wrapped chocolates. And somebody – anybody – would be surely justified in visiting an awful revenge on the blonde who gushes to the ambassador, "Why, wiz wiz Rocher chocolates, you are spoiling us..."

Intrigued, you sit there waiting for some stunning interpolations of Oliver Stone chat, as per usual in a screenplay – and after two hours, all you can remember is a single conversation outside a church, where *Evita*'s mum is barred from the funeral of her child's father. The dead man's widow abuses her and gesticulates. Does this mean Oliver Stone's only creative contribution to this movie is this?

Widow-woman: "You were his whore and your children are bastards." (Spits. Bites. Thunk.)

Is that it? He could have done it over the telephone.

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The Lords shoot themselves in the foot



Donald Macintyre
In their debate on gun control, hereditary peers inadvertently provided lethal ammunition for their own abolition

Once again Tory peers are starting to make trouble for Michael Howard. Hurrah, perhaps you think. Haven't the Lords repeatedly softened some of the sharper and most illiberal edges of Howard's law and order reforms? Not this time. Last Monday's second reading debate on the Firearms (Amendments) Bill, introduced in the aftermath of Dunblane, exposed the backwoods strength of the hereditary peerage in all its naked squalour. The Earl of Strafford withdrew his hostile amendment on the Bill – but only on the clear understanding that he and his colleagues will press for detailed changes to it in the new year. Those dithering that House of Lords reform is worth the fuss could do worse than have a look at Monday's *House*.

There were 31 speakers in all. Of these, eight, including the Home Office minister Baroness Blatch and the two opposition frontbench spokesmen Lord McIntosh and Lord Rodgers (all three are life peers) spoke either in favour of the Bill or of an even tougher ban. Five were equivocal, and 18 were outright critics of the Bill, almost entirely on the grounds that it tampered with the legitimate rights of recreational shooters. Of those 18, one was Labour, the Eurosceptic scourge of his own front bench, Lord Stoddart; one, Lord Thurso, was the only Liberal Democrat to attack the basis of the Bill; and two, Lord Craig of Radley and the former Law Lord, Lord Ackner, were crossbenchers. The other 14 were all Conservatives. And of these, all but

became able to get weapons legally. But no one knows for sure that they would, either.

Here, too, is the Earl of Haddington, gun-club member. Like many of the speakers he talked touchingly of his "appalling shock" as the father of three small children at the horror of Dunblane. But he goes on to describe affectionately how his father's gamekeeper "stressed the aspects of safety in no uncertain manner" who he taught him to shoot as a boy and then proceeded to question the planned ban on the use of dum dum bullets for .22 handguns on the grounds that rabbits will suffer "agony" when they are shot with inferior ammunition. Lord Balfour, who also rails against this "emotive, panic Bill", shares with their Lordships his youthful apprenticeship with the "estate gamekeeper".

the public and the uninformed popular press but also [horror of horrors] by the imminence of a general election."

It was left (mainly) to life peers of all three main parties to point out that the Association of Chief Police Officers approved the ban, and that while it might not prevent every similar tragedy in the future it was worth doing for its own sake. And it was the Tory life peer Lord Sanderson of Bowden, a Kirk elder, who affectionately quoted a senior churchwoman saying the ban accorded with the Church of Scotland's commitment to "promoting a culture of peace rather than of violence in our country". It is just that point which most of the landed hereditary peers don't get.

Ministers are apprehensive. The

Lords could seriously delay the Bill in the new year, and that would only strengthen Labour's case for depriving hereditary peers of the vote. It's true that the Straffords and the Shrewsburys are only saying aloud what a lot of Tory Commons backbenchers think – that there should be no ban. Quite senior Tories are now saying privately that Mr Howard has severely damaged his leadership chances as a candidate from the right by introducing what one ex-minister this week called "profoundly un-Tory legislation" on handguns. But the MPs are much more reluctant to say so openly in the run-up to an election. The hue and cry have no such scruples. Wasn't it Bagshot who said that the "cure for admiring the House of Lords was to go and look at it"?

DAVID ANDREW

business & city

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Unemployment falls as retail sales rise □ Interest rates tipped to go up □ Entrepreneurs reveal changing job trends

Sharp fall in jobless refuels rate fears

Diane Coyle
Economics Editor

The announcement yesterday of a sharp fall in unemployment to below 2 million last month, along with steady growth in retail sales, has made a new year rise in interest rates more likely.

Eddie George, Governor of the Bank of England, is firmly expected to advise a quarter-point rise in base rates to 6.25 per cent at his next meeting with the Chancellor of the Exchequer.

The economic news took sterling within a whisker of DM2.60 last night, up more than a penny from the day before.

Adam Cole, UK economist at James Capel, said: "These data were the final nail in the coffin for base rates in January."

The futures markets are betting that base rates will be 7.25 per cent by the end of next year as the economy gathers pace.

Kenneth Clarke said yesterday that nothing made a change in base rates inevitable, but he repeated his commitment to keeping inflation under control. "Low inflation is one of the ingredients that is making the economy so healthy," he said.

The fall of 95,800 to 1.9 million in the number of people claiming unemployment benefit, the biggest monthly drop since late 1982, was swelled by the introduction of the Job Seekers Allowance and administrative changes.

Assessing new claims is taking longer, and means testing of claims now starts after six months rather than a year. These reduced the headline jobless figure by 25,000. New restrictions on signing on by post and the fraud hotline also helped reduce the total.

Yet even taking these into account, last month's decline in unemployment was the biggest for a quarter century. Official statisticians said that the trend monthly decline was at least 15,000-20,000.

The number of claimants fell in all regions of the country. The overall unemployment rate dropped to 6.9 per cent, with the rate in Northern Ireland falling below 10 per cent for the first time in more than 16 years.

John Monks, general secre-

tary of the TUC, welcomed the news but said: "Let's not forget that when this Government took office in 1979 unemployment was 1.3 million."

There was nevertheless sup-

porting evidence of a real im-

provement in the jobs market

in employment yesterday.

There were 165,000 new jobs in the third quarter, and 264,000 in the year to September. It was the biggest quarterly increase since March 1989, although unusually driven by a big in-

crease in the number of self-

employed.

The separate, and less timely,

figures from the detailed

Labour Force Survey show that

in the year to August there was

a rise of 210,000 in employment,

with part-time jobs once more

dominating. Male full-time em-

ployment fell but was more

than offset by a big rise in part-

time work to give an increase of

91,000. Women gained 55,000

full-time and about 66,000 part-

time jobs.

The stock of vacancies in Job Centres reached the highest level since the series began in 1980. The ratio of vacancies to unemployment fell but was more

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The separate, and less timely,



COMMENT

A quick back-of-the-envelope calculation suggests that BZW and Schroders have put their clients at risk with these purchases to the tune of about £2m. This is surely deviation beyond the call of duty. But then again, perhaps not.

Northern share purchase an unusual move

We are not down to the last of the Mo-bicans quite yet, but with just two surviving braves from an original tribe of 12 regional electricity companies, we're not far off. The agreed bid by Entergy of the US for London Electricity will leave just Yorkshire and Southern, an independently quoted stock market company, assuming that Northern's fight for continued independence fails. Notwithstanding a spirited defence against CE Electric of the US, its advisers, BZW and Schroders, snapped up 2.3 per cent of the stock yesterday paying just a whisker under the bidder's price for the shares. This is a highly unusual thing in a takeover bid, for the potential downside for the shares should the bid fail is quite substantial. Were these firms buying as principal, or on behalf of investment clients? If the latter is a pretty bizarre thing to have done.

A quick back-of-the-envelope calculation suggests BZW and Schroders could incur losses of £2m on these purchases should the bid fail. This is surely deviation beyond the call of duty. But then again, perhaps not. In the bad old days of the City - pre-Guinness - these purchases would simply have been indemnified and nobody would have been any the wiser. But that kind of thing doesn't happen any longer. Not that Schroders and BZW have to, anyway.

Their success fee, should the bid fail, will probably cover the loss. And there would also be all those additional fees to come from fighting the next bid to land on Northern's door step. What Schroders and BZW are

doing is well within the rules, but if they were acting as principal here, they plainly have a commercial interest that goes well beyond that of ordinary Northern shareholders. And if it were investment clients? It is hard to see what interest they would have in buying at these levels. Either way, the advisers have some explaining to do.

Wage inflation fails to catch up

Any remaining doubts about the state of the labour market are removed by the fall in unemployment announced yesterday - it's going like a train however much the Government's usual jiggery-pokery with the definition has exaggerated the decline. Yet even more remarkable than seeing headline unemployment below 2 million just in time for Christmas is the fact that underlying earnings growth has remained so low.

Wage inflation has edged up - there is no other way to describe it - from 3.25 per cent to 4 per cent during the past year. During the same period the number of people claiming unemployment benefit has dropped by more than 300,000, taking the headline jobless rate to its lowest since early 1991. What has happened to the traditional British surge in pay claims when the jobs market gets a little bit livelier than moribund?

More economists are starting to argue that labour market deregulation has at last

achieved at least a mini-miracle for the British economy. The rate of unemployment below which further declines trigger inflation has possibly or probably fallen, allowing the economy to grow a bit faster before running into the inflationary buffers. That rate - the "non-accelerating inflation rate of unemployment" or "nairu" to economists - might be closer to 6 per cent rather than 7 to 8 per cent.

But that does not mean the Chancellor can cheerfully watch the economy build up steam without resorting to another interest rate increase to moderate the pressure. If unemployment were to continue falling at the same speed as last month, wage inflation would start climbing in no time. That process has already started in the service industries, which have been expanding at a race pace.

Nonetheless, there has plainly been a significant shift in the relationship between the state of the labour market and wage inflation, and for that the Government can take which have been expanding at a race pace.

The observant may furthermore have noticed that Airbus, Europe's home-grown answer to Boeing, has publicly asserted that the merger is a non-event which will have no effect on its position. Indeed, those people who know a thing or two about running airlines think it will actually bolster Airbus by reminding everyone that it is now the only alternative. None of this seems to bother Mr van Miert who pronounces that the merger is "problematic", the inference being that he will have no hesitation in stamping on it if he does not like the cut of Boeing's cloth.

This is good old-fashioned trade imperialism - albeit of a kind that the Americans themselves have happily engaged in for forty years or more. If Mr van Miert really thinks he is acting in the interests of European consumers, then he should think again.

£1.3bn London Electricity bid agreed

Chris Godsmark
Business Correspondent

London Electricity became the latest privatised regional electricity business to go under the hammer yesterday when Entergy, the New Orleans-based utility that has circled the company for several weeks, announced an agreed £1.3bn takeover bid.

The announcement came as Ian Lang, President of the Board of Trade, gave the go-ahead to the £1.3bn agreed bid for East Midlands Electricity by Dominion Resources, the Virginia power group. The Government's decision not to refer the Dominion offer to the Monopolies and Mergers Commission was widely expected, following last Friday's approval of the £782m takeover offer by US generator CalEnergy for Northern Electric.

The bid for London means leaves two of the 12 privatised electricity companies, Yorkshire Electricity and Southern Electric, not facing takeover offers. Most analysts expect them to lose their independence before a spring general election.

Last night another US utility, the Texan company Houston Industries, was thought to be considering mounting a bid. Houston has been widely tipped to buy a REC, and last year mounted an unsuccessful joint attack for Norweh, ultimately bought by North West Water.

Terry Ogletree, head of En-

tergy's power division which will run London, said all of London's non-regulated operations would be under review. "We think those kind of ventures are an appropriate thing for London to pursue, but we just don't know much about them at this stage."

Sir Bob Reid, chairman of London, insisted the deal did not mean a further round of job cuts on top of the 3,000 reduction in London's workforce since privatisation. He said: "This is not going to have any jarring effect on London's employees. They're used to trimming and focusing."

The takeover will also bring a cash bonanza for London directors who stand to make more than £96,550 from share options, on which the dividend will also be paid.

Mike Kersey, who moved to London as chief executive last year, will pocket £95,573, while Alan Towers, finance director, will net £783,755, plus £75,625 from the sale of shares in the company.

The biggest winner is Roger Urwin, former chief executive who left London to manage the National Grid's electricity transmission business last year.

He stands to gain £235,423 from share options, plus a further £665,653 from his shares. Mr Urwin can into a political storm in 1995 when he made personal profits of £234,000 on previous options.

Northern Electric ran into a furious row with hostile bidder CalEnergy last night as the Newcastle-based group managed to add another surprise plank to its defence campaign, writes Chris Godsmark

With tomorrow's closing date for the bid fast approaching, Schroders, Northern's advisers, and BZW, the company's brokers, disclosed that they had bought shares in Northern and immediately pledged to reject the US offer.

The 1.5 per cent stake bought by BZW, along with the 0.8 per cent acquired by Schroders, means investors holding 17.34 per cent of the company have so far backed the existing management. Both BZW and Schroders paid 645p for the shares, well above the market price. Northern's share price dropped by 5.5p to 630p, which is 20p below CalEnergy's increased 650p bid price.

CalEnergy is thought to have complained furiously to the

Takeover Panel, though advisers to the US predator admitted the tactic did not appear to break bid rules. But a spokesman said: "We believe that this action is clearly designed to frustrate the bid and have taken the appropriate action."

Though Northern is out of the share purchases beforehand, the company was clearly delighted at the move. A similar situation occurred during nursing home operator

Goldsborough's defence against a hostile takeover bid by rival Westminster Healthcare over the summer. In the last few hours SBC Warburg, Goldsborough's advisers, bought a 4 per cent stake in the target.

Three big City investors have already backed the Northern board: the Prudential, Northern's biggest shareholder with 11.35 per cent. Foreign & Colonial with 1.5 per cent and another institution believed to be M&G with just over 2 per cent.

First Choice cuts dividend by a quarter

Tom Stevenson
City Editor

First Choice, Britain's third-largest tour operator behind Thomson and Airtours, completed a turbulent year yesterday by cutting its dividend by more than a quarter. Despite the fall, the company's depressed shares closed 4.5p higher at 63p as the City banked on new chief executive Peter Long re-versing its recent fortunes.

Mr Long was catapulted into his new job just a month after joining First Choice earlier this year when a boardroom coup unseated his predecessor Francis Baron. Yesterday he spelled out a strategy for returning First Choice to a level of profitability that would compare with the rest of the holiday industry.

Profits in the year to October of £10m showed a marked improvement on the £1.3m achieved in 1995, when the whole industry was hit by overcapacity and slumping prices. Mr Long said, however, that those profits represented an unacceptable return on sales, which topped £1bn for the first time.

Commenting on the decision to reduce the full-year dividend from 3.85p to 2.85p, executive deputy chairman Ian Clubb said "the move was a step towards achieving a more

Gulf Canada approaches Clyde

The oil exploration sector was set alight yesterday by a sight-seeing shot for Clyde Petroleum from Gulf Canada Resources, a former subsidiary of the Reichmann property empire, writes Tom Stevenson. Clyde's shares closed 34p higher at 118.5p as dealers banked on Gulf's initial 105p-a-share approach being nothing more than an opening gambit in a hotly contested bid.

Gulf's Texan president and chief executive, James Bryan, known in the oil business as JP, called Clyde's chairman, Malcolm Gourlay, just before 7am yesterday to warn him of the imminent hostile approach. By 11am, Clyde had issued a statement rejecting Gulf's offer as "unsolicited and wholly unacceptable".

Analysts welcomed Mr Long's focus on managing capacity and reducing costs. He has a strong reputation within the industry, which has been a graveyard for all but the most experienced specialist operators.

The UK tour operator performed much better than in the previous year but remained in the red with a £200,000 loss compared with an £1.1m shortfall. Skibound, a new winter sports arm, chipped in £3.1m.

The worst performance was

done in creating a four-pronged business with operations in Australia and Indonesia as well as the Dutch and British sectors of the North Sea. The deal, Mr Bryan said, fitted in with Gulf's ambition of expanding its geographical spread beyond its North American and Indonesian interests.

He rejected Gulf's claim that the exercise and sale of options by Clyde directors this week at 81p undermined their argument that the bid undervalued the company. The numbers of shares involved, he said, were insignificant compared to the holdings directors had retained.

Mr Bryan described Clyde's record in exploration as "miserable", but said he had great respect for what Roy Franklin, Clyde's managing director, had

done in creating a four-pronged business with operations in Australia and Indonesia as well as the Dutch and British sectors of the North Sea. The deal, Mr Bryan said, fitted in with Gulf's ambition of expanding its geographical spread beyond its North American and Indonesian interests.

He said the £432m offer was a full price, which represented a 35 per cent premium to Clyde's value on 27 November and a 24 per cent premium to the price at which the shares closed on Tuesday night. He compared the price with the 62p value Clyde's broker Hoare Govett had put on the company's net assets and the 34p "going concern" value, which includes probable and possible oil

and gas reserves as well as the

strategic proven variety.

The deal sparked a flurry of speculative interest in other smaller oil companies. Cairn Energy, Hardy Oil and Cairn and Mountaine all saw their shares rise sharply yesterday, as did the larger players, Enterprise and Lassco.

Clyde said it planned to set the reasons for its rejection of Gulf's offer in a letter to shareholders. In the meantime, it said, shareholders should do nothing. Clyde said the terms "fail to take account of the record and prospects of Clyde and the quality of its business and portfolio".

Gulf's shares were off £30.25

to £39.30 in early trading in Toronto.

IN BRIEF

• A temporary thaw in the bitter dispute between Time Warner and Rupert Murdoch's News Corporation was in prospect last night as the two companies confirmed a short-term agreement on the carriage of Mr Murdoch's Fox channel on its cable network. The 45-day deal, renewable for further periods of 45 days, will allow Time Warner customers to view the Super Bowl, the US football championship, which is exclusively broadcast by Fox. But the two sides remain in dispute over Time Warner's refusal to carry Mr Murdoch's 24-hour Fox News in New York City. The disagreement has led to the postponement of the launch of the Warner Channel in the UK, which had been scheduled to appear on Murdoch's BSkyB satellite network on 1 November. The legal wrangling between the companies was set to continue.

• De Beers Consolidated Mines said sales of rough diamonds by its De Beers Central Selling Organisation (CSO) in 1996 were \$4.834bn (£2.9bn), 7 per cent higher than the previous year. Sales in the second half of the year were \$2.086bn, 5 per cent higher than during the same period in 1995.

• British Telecommunications will increase the retail prices for calls to services operated by One2One and Orange personal communications networks from 19 February. The new prices reflect increased payments which BT has to make to One2One and Orange. BT said calls would be charged at 30p a minute between 8am and 6pm Monday to Friday; 20p a minute during weekday evenings and overnight; and 10p a minute at weekends. This compares with the current rate of 16.71p a minute during the day and 9.85p a minute at all other times.

• The Department of Trade and Industry said it accepted undertakings from Service Corporation International to "remedy the adverse effects on competition identified by the Monopolies and Mergers Commission" as a result of the acquisition by SCI of Plantsbrook Group. The MMC recommended that SCI should be required to divest individual funeral directors' businesses in 10 localities and not to acquire any further funeral directors' businesses in these localities without prior government approval. The MMC also recommended that undertakings should be sought in relation to disclosure by SCI of its ownership of funeral businesses.

• The European Commission opened an inquiry into the state aid for Thomson SA and Thomson Multimedia, which was notified to the commission in October ahead of proposals for Thomson SA's privatisation. The measures concern a capital injection of about £1.1bn (£1.3bn) into the parent company Thomson SA and the possibly excessively high price paid by the French state to Thomson SA for its shares in Credit Lyonnais. The commission said this overstatement could represent an "element of aid".

Woolwich vows to fight Bill

Jill Treanor
Banking Correspondent

The Woolwich Building Society pledged yesterday to fight for amendments to a controversial new building societies bill, which Angela Knight, the treasury minister, said she hoped to introduce to the Commons between late January and early March.

Cross-party support seemed likely after Mike O'Brien, Mrs Knight's counterpart in the Labour Party, welcomed the publication of the Bill, though he said Labour would still like

an additional rule to exclude members of less than two years' standing from benefiting from conversion to banks.

The Woolwich and the Alliance & Leicester, which plan to convert to banks, failed to persuade Mrs Knight to reinstate their full five-year protection against takeovers, which they will lose under the Bill if they make a bid for another financial institution.

The publication of the Bill left lingering doubts about the timing of the flotation of the two societies, although a third, Northern Rock, said it would

proceed as planned. The Woolwich said: "We will lobby to ensure that it is suitably amended on its way through Parliament."

Had our board known when it took the decision to convert that this was even a possibility, then we might have chosen to convert in a different way."

The Alliance & Leicester said: "The new draft Bill addresses some of the anomalies but does not, in our opinion, complete the process and leaves converting societies with a number of issues of concern in the middle of long and costly conversion processes."

Mrs Knight made one concession to the converting societies by requiring a 75 per cent turnout in any vote on removing the five-year ban on takeovers. This increases the obstacles to a hostile bid. The Bill eliminates the need to set aside special reserves on flotation. Without the Bill, some of the converting societies would need to raise extra capital.

Brian Davis, chairman of the Building Societies Association and chief executive of the National Building Society, urged the politicians to get on with the task of getting the Bill passed.

business

Book into First Choice for a recovery

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

It's been quite a year at First Choice, the former Owners Abroad tour operator that sits uneasily in third place behind market leaders Thomson and Airtours.

The revolving doors have been spinning so violently in the company's Sussex boardroom that it came as no surprise yesterday to have results presented by a new executive deputy chairman, who introduced a new chief executive and a finance director who is leaving next month for the same job at Manchester United.

The figures they showed investors were a pretty dismal affair - profit of just £10m for the year to October were a lot better than the £1.3m achieved in the previous year which included the disastrous summer of 1995, but compared with sales of more than £600m they represented a pathetic return.

Airtours generated a pre-tax margin of more than 5 per cent in more or less the same period, setting a stretching benchmark for its smaller rival. No surprise, in those circumstances, that the dividend should be pegged back to what the company hopes is a new base.

The new chief executive, Peter Long, has actually set himself a slightly less demanding margin target, a return on sales of 4 per cent within two or three years.

But, given the volatility of the holiday market, a persistent mismatch between the company's aircraft fleet and the holidays it sells to fill those seats, and continuing problems in Canada where First Choice makes a quarter of its sales, clearing that hurdle is a real achievement.

The good news is that the City feels confident that the company is finally in the hands of someone who is in with a shout of turning it round.

Francis Baron, the previous head, who walked off with £640,000 after falling out with other directors, was seen as having too little experience of the business to compete seriously in a cut-throat market where non-specialists can and do get taken to the cleaners.

First Choice has already sold 25 per cent of its capacity for next summer, better than the 17 per cent it had reached this time last year.

Bookings are 42 per cent up on last year's admittedly depressed comparable figure. The company has a credible brand and is not embroiled in the Monopolies and Mergers Commission inquiry into the industry because it has no ownership link with a travel agent, unlike its bigger rivals. Financially it appears to be in reasonable shape and it seems it could always sell its difficult Canadian operation to Airtours if the need arose.

On the basis of forecast profits of £25m in the current year, the shares, up 4.5p yesterday to 63.5p, trade on only 10 times expected earnings per share. Getting up to the targeted margin

would put the shares on a multiple of only 5 or 6.

Airtours and Thomson are the better companies, but First Choice offers real recovery potential.

Moaning becomes Electra

Electra Investment Trust is puzzled that its shares trade at a 19 per cent discount to net asset value while 3i is at a 5 per cent premium. Both are rare breed of trust specialising in venture capital investments and put most of their money in unquoted stocks.

There are differences that explain part of the discrepancy. 3i is bigger, and is in the FTSE 100, so it has to be a component of indexed portfolios, unlike Electra, which has not had much of a recent flow of new investors. 3i is also largely a UK business, while much of Electra's investment is in the US.

3i's performance has been less volatile in the past because it has a spread of several thousand invest-

ments against a couple of hundred at Electra, which the market therefore regards as making it a worse bet in any future recession. The trust is just that little more dependent than 3i on continued steady growth of the economy.

There are also the first signs of over-heating in the venture capital market, with some prices becoming silly, which might affect the larger deals in which Electra specialises rather more than 3i.

Yet this cannot explain the whole of the difference in the discount at which the two shares are trading, especially after yesterday's full-year results for Electra, which show an 18.5 per cent increase in net asset value to 52.2p a share, half as much again as the increase in the all-share index. Michael Stoddart, Electra's chairman, can boast of being well ahead of the index over both three and five years.

In the latest year, the dividend rose 11.3 per cent, partly because of a new accounting standard that forces investment trusts to split management expenses and interest equally between capital and revenue accounts.

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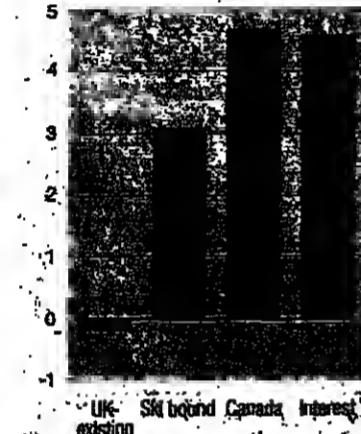
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First Choice: at a glance

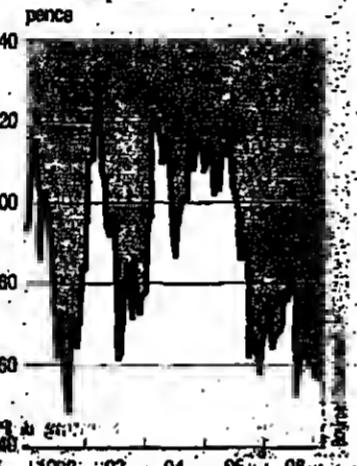
Market value: £151.2m, share price 63.5p

	1992	1993	1994	1995	1996
Pre-tax profits (£m)	25.5	3.40	16.3	1.3	10.0
Dividends per share (pence)	3.32	3.32	3.65	3.85	2.8

Profits by Activity



Share price



BRADFORD & BINGLEY'S NEW RATES OF INTEREST EFFECTIVE FROM 20 DECEMBER 1996

ACCOUNT	Annual Interest		Monthly Interest		
	Balance	Gross % p.a.	Net Equiv. % p.a.	Gross % p.a.	Net Equiv. % p.a.
TIME SAVER*		0.25	0.20		
£1+ (Base Rate)	0.50	0.40			
£100+	1.00	0.80			
£250+	1.60	1.28			
£10,000+	2.10	1.68			
£25,000+	2.60	2.08			
£1+	0.25	0.20			
£100+	1.60	1.28			
£10,000+	3.00	2.40			
£25,000+	3.75	3.00			
£50+	1.25	1.00			
£500+	2.55	2.04			
£2,500+	2.85	2.28			
£10,000+	3.40	2.72			
£25,000+	3.80	3.04			
£500+	2.60	2.08			
£2,500+	2.90	2.32			
£10,000+	3.45	2.76			
£25,000+	3.85	3.08			
£50+	2.00	1.60	1.95	1.56	
£2,500+	2.30	1.84	2.20	1.76	
£10,000+	2.80	2.24	2.65	2.12	
£25,000+	3.20	2.64	3.15	2.52	
£100+	4.00	3.20	3.80	3.04	
£250+	4.50	3.64	4.20	3.56	
£500+	4.85	4.18	4.29	3.86	
£2,500+	4.80	3.88	4.10	3.52	
£10,000+	4.90	3.92	4.79	3.78	
£25,000+	5.25	4.20	5.05	4.44	
£50+	7.00	1.52	5.21	4.16	
£500+	8.00	1.61	5.53	4.44	
£2,500+	8.50	1.76	5.71	4.56	
£10,000+	9.00	1.87	6.10	4.94	
£25,000+	9.50	2.01	6.49	5.26	
£50+	10.00	2.10	6.60	5.36	
£2,500+	10.50	2.24	6.80	5.56	
£10,000+	11.00	2.34	7.10	5.84	
£25,000+	11.50	2.48	7.30	6.04	
£50+	12.00	2.50	7.40	6.14	
£2,500+	12.50	2.64	7.50	6.24	
£10,000+	13.00	2.74	7.70	6.44	
£25,000+	13.50	2.88	7.90	6.64	
£50+	14.00	2.90	8.00	6.74	
£2,500+	14.50	3.04	8.10	6.84	
£10,000+	15.00	3.14	8.30	7.04	
£25,000+	15.50	3.28	8.50	7.24	
£50+	16.00	3.30	8.60	7.34	
£2,500+	16.50	3.44	8.80	7.54	
£10,000+	17.00	3.54	9.00	7.74	
£25,000+	17.50	3.68	9.20	7.94	
£50+	18.00	3.70	9.30	8.04	
£2,500+	18.50	3.84	9.50	8.24	
£10,000+	19.00	3.94	9.70	8.44	
£25,000+	19.50	4.08	9.90	8.64	
£50+	20.00	4.10	10.00	8.74	
£2,500+	20.50	4.24	10.20	8.94	
£10,000+	21.00	4.34	10.40	9.14	
£25,000+	21.50	4.48	10.60	9.34	
£50+	22.00	4.50	10.70	9.44	
£2,500+	22.50	4.64	10.90	9.64	
£10,000+	23.00	4.74	11.10	9.84	
£25,000+	23.50	4.88	11.30	10.04	
£50+	24.00	4.90	11.40	10.14	
£2,500+	24.50	5.04	11.60	10.34	
£10,000+	25.00	5.14	11.80	10.54	
£25,000+	25.50	5.28	12.00	10.74	
£50+	26.00	5.30	12.10	10.84	
£2,500+	26.50	5.44	12.30	10.94	
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£50+	30.00	6.10	13.50	12.14	
£2,500+	30.50	6.24	13.70	12.34	
£10,000+	31.00	6.34	13.90	12.54	
£25,000+	31.50	6.48	14.10	12.74	
£50+	32.00	6.50	14.20	12.84	
£2,500+	32.50				

sport

Golota is ready to seek treatment



Boxing

Andrew Golota, the Polish heavyweight, has said that he thinks he should undergo psychoanalysis after squandering his chances of victory over Rick Bowe because of low punches for the second time in five months.

A Polish sports daily asked him the crucial question about the ninth-round blows that led to him being disqualified just one round away from a certain victory on Saturday.

"I don't know, I really don't know," the 28-year-old Golota told *Priegeld Sportowy* in an interview published yesterday.

"It was supposed to be a combination of punches to the stomach, after which Bowe would have had to straighten out and give me a chance for a final knockout," Golota was quoted as saying.

Asked to comment on his trainer Lou Duva's suggestion of psychoanalysis, Golota said: "Why not? Maybe he's right. I don't know."

Golota was first disqualified for low blows during a July fight against Bowe in New York and said then that he had been desperate because he could not flatten the American, despite being ahead.

Golota said the two fights were different. "I just wanted to win the [New York] fight. In Atlantic City I wanted to kill Bowe," the Pole claimed.

Golota, who is sporting a burst carbuncle from the fight, which he said had made him feel like he was boxing in a silent movie, said he was trying to forget the outcome of Saturday's bout.

"What am I supposed to do? Shoot myself? Boxing is a sport for tough guys," he said.

He suggested he would welcome a chance to fight the former world heavyweight champion Tim Witherspoon, possibly in Poland.

"I want to fight the best and not waste time on those who are just climbing the rankings," Golota said.

Smith and Harris are drafted in

Rugby League

Warrington's Welsh international Iestyn Harris and Castleford's Chris Smith have answered the call from the Great Britain Nines coach, Andy Gregory.

Gregory named a 14-strong party for the World Super League Nines competition last Friday, only for two key members of the squad to withdraw yesterday through injury.

The Warrington forward Paul Sculthorpe and the Castleford half-back Tony Smith both face operations in the near future in a quest to be fit for the start of the domestic season.

Sculthorpe, one of a crop of outstanding young players in the game, has been troubled by a wrist injury while Smith has a groin problem.

Gregory said: "It's a blow to lose these two only days after the squad was announced, but we have two quality replacements in Iestyn and Chris. The squad remains strong with bags of experience and I am confident we will do well."

The Super League World Nines will be staged in Townsville, Australia, from 31 January to 2 February.

First and Second Division clubs will give their season-ticket holders "rover" passes to attend two First or Second Division games not involving their own club free of charge. Each club will have two blank weekends during the season which starts on 2 March, and League spokesman Bob Scott said: "It gives fans the opportunity to support the game on a wider basis."

TODAY'S FIXTURES

Football

7.30 un解说

HARRY LAGER NATIONAL LEAGUE OF IRELAND: St. Patrick's vs. The Farm Esb. (St. Patrick's 7-45).

PONTING LEAGUE CUP Group Three Stockport vs. Stiles (7-0) (at St. Luke's CFC), Group Four: Scunthorpe v Grimsby (7-0).

AVON INSURANCE CONSERVATOR First Division: Ashton-under-Lyne (2-0) vs. Wigan (2-0); Shrewsbury (2-0) vs. Walsall (2-0); Shrewsbury (2-0) vs. Walsall (2-0); Walsall (2-0) vs. Shrewsbury (2-0).

FA YOUTH CUP Second round replay: Luton Town v Oxford United.

Cricket

FIRST TEST (Second day of five): Zimbabwe v England (2nd Test) at Queen's Club, Balaclava.

Other sports

EXHIBITION: Olympic Championships (Kensington, London).

POOL: Moton Cup Nine-Ball Challenge Europe v USA (Dagenham).

SWIMMING: ASA National Winter Championships (Sheffield).

Inchcailloch revels in his double life

Racing

GREG WOOD

If a change is truly as good as a rest, then Inchcailloch must be one of the freshest horses in training. Just two months ago Jeff King's gelding was weaving his way through a big field of handicappers at the headquarters of Flat racing on his way to a brave victory in the Cesarewitch Handicap.

In the few weeks since, he has added three more successes to his CV, but not against soft opposition on the sand at Lingfield or Southwell, or even over a few flights of hurdles. Instead, Inchcailloch has been winning steeplechases, and in Saturday's Betway Cup Handicap Chase at Ascot, for which he seems likely to start favourite, he has the chance to complete a remarkable across-the-codes big-race double.

Inchcailloch's versatility is already remarkable enough, but his trainer believes that many other horses might be suited to such a double life if only their owners had the imagination to realise it. "I'm lucky to have a very athletic horse," King says, "but I'm also very lucky to train him for a smashing owner who doesn't wrap him up in cotton wool."

"I think a lot of horses could be just as versatile if the people connected with them would allow it, but there's not many around who'll do things for fun rather than for profit. If we kept him to the Flat he might earn more money at the end of 12 months, but the owners like jumping. The fact that he was good enough to have a crack at the Cesarewitch was just a bonus."

"I've been in the game a long while and I couldn't care less whether he was the favourite or a 20-1 chance, but I wouldn't be running him if I didn't think he should be there. He's a lovely horse, really amenable, and he could have some more improvement in him. We'll find out a bit more on Saturday."

Since 1 January will be only

With £35,000 in added prize-money on Saturday, there is little reason for either trainer or owner to get involved in the betting ring, and the fact that his runner heads the ante-post market is of little concern to King.

"To be honest, I don't look at either the betting or the media very much."

"I've been in the game a long while and I couldn't care less whether he was the favourite or a 20-1 chance, but I wouldn't be running him if I didn't think he should be there. He's a lovely horse, really amenable, and he could have some more improvement in him. We'll find out a bit more on Saturday."

Since 1 January will be only

Triumph favourite Bellator out for season with leg injury

Bellator is out for the rest of the season due to a leg injury, writes Ian Davies.

The three-year-old was anticipated favourite for the Triumph Hurdle at Cheltenham next

March but his trainer Toby Balding said last night: "Bellator has suffered a stress fracture of the near-far cannon bone. It is mendable but he is out for the season."

The trainer Mary Reveley

could run two horses in The Ladbrooke Handicap Hurdle at Leopardstown on 11 January.

Reveley has entered Express Gift, who was a leading

fancy for last season's event before being withdrawn, unbeaten hurdler Penny A Day and the recent Ascot winner Executive Design. Penny A Day, 10-1 with

Executive Design, 11-1, are intended runners at this stage. The former, impressive at Wetherby on his

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Design, 16-1, are intended runners at this stage. The former, impressive at Wetherby on his

sport

Unfortunately for Henman, who appears a well adjusted young man, there is very little chance he will be allowed to make steady progress

A problem for up and comers in British sport is the amount of expectation that grows up quickly around them. No sooner is someone off and running than there is foolish talk about world beating potential.

It is a good time to latch on to this because, in accordance with a reliable chisel of sports journalism, one I am not comfortable with, newspapers will soon be publishing the names of those who may come further to our attention in the not too distant future.

The safest of bets, our old friend the certainty, is that the rising star of British tennis, Tim Henman, will be among them. A sensible reaction to Henman's straight-sets defeat by

Boris Becker in Germany last week was that it brought reality back to his prospects. My colleague, Simon O'Hagan, made a point of this when reporting the match for the *Independent on Sunday* and I wish others had followed his example.

Unfortunately for Henman, who appears to be a well-adjusted young man, there is very little chance that he will be allowed to make steady progress. The intense focus of media attention simply does not allow for it. With every step he takes, the burden of expectation increases.

In holding Becker to a tie-break in the first set, Henman gave a thoroughly creditable performance but doubtless his defeat gave rise to dis-

appointment in the news rooms of television, radio and newspapers.

Because it is almost 60 years since Fred Perry became the last British player to win the Men's Singles at Wimbledon and the story since has been one of disappointment, you may not find this surprising - but it serves to indicate how much pressure Henman, at 22, is sure to come under.

At this stage of Henman's development it is advisable, I think, to take note of what Becker, who won Wimbledon when four years younger, felt after coming up against him for the first time. "He's a player with a good future but who knows how far he is going to get?" the German said.



KEN JONES

In the world of modern sport, potential can be as suspect as faith in a lottery ticket or a horse that is known to be a dodgy jumper. The truth, as Calvin Coolidge argued, is that nothing is more common than unsuccessful people with tal-

ent; another thing Coolidge said is that nothing matters more than persistence.

Incidentally, I once passed on Coolidge's remarks to a thoughtful football manager who had grown seriously frustrated with the attitude of his charges. He had the words typed out and put up in the dressing room. "Coolidge," one of the players said. "Who the hell did he manage?"

To get back on track, hyperbole has held back many sporting careers. Mindless comparison, an eagerly employed tool of newspapers and television, brings its own problems. For example, it is not that long since Dominic Cork was hailed as the new Ian Botham. This

was as unfair on him as it was to hail Darren Gough as Fred Trueman's natural successor.

You can go on and on like this. Not so long ago, a problem for the Manchester United manager, Alex Ferguson, was that people saw another George Best in Ryan Giggs, and reacted accordingly. The young Welshman appears to have handled this quite well, which says a lot about his upbringing at Old Trafford, and Ferguson's protective instincts. Now, foolishly to my mind, David Beckham is being written and spoken about as England's next great player before he has matured fully in the Premiership. Following Manchester United's

victory in Vienna recently, Beckham was the centre of attraction. By all accounts this is not causing Ferguson as much concern as he first imagined, but we can be sure that he would prefer more discretion.

None of this is peculiar to British sport but it does seem that nowhere else in the world is so much made of embryonic talent.

A good thing to remember is that people in sport see things from a different perspective. Many years ago it was put to Bill Shankly that the play of a young footballer on Liverpool's books was reminiscent of Tom Finney. With a vision of Finney in his mind, Shankly chuckled. "Aye," he said, "but Tommy is 52."

Fans converted by rugby's new voice



KEITH ELLIOTT

AT LARGE

My friend Alex once treated his wife to a weekend in a sprukey hotel near Bristol, only to find the place overrun by the Welsh rugby union team, intent on drinking the bar dry. As the evening wore on, certain players were all set to continue a battle that had taken place earlier on the pitch.

One 17-stone monster charged into Alex, who was no mug when it came to a scrap. "Are you looking for a fight?" the Famous Player glared.

"The size of you? You must be joking," said Alex.

That always struck me as an eminently sensible way to defuse a potentially damaging situation, both for Alex and the hotel furniture. Insulting someone whose middle name is Mayhem might seem heroic at the time, but the benefits are generally outweighed by the surgery costs.

No such worries appear to be set the editors of the ground-breaking Gloucester fanzine, *Shedhead*, which insults with impunity everyone from Gareth Chilcott (Fat Git) to Phil de Glanville (Elephant Man). Nothing odd there, you might say. Football fanzines have been doing that for years. But rugby has never seen anything like it.

It's arguable whether *Shedhead* was the first rugby fanzine, but it is undeniably the best and the most successful. Started in autumn last year, it easily outsells Gloucester RFC's official programme. People queue outside the unlovely ground to buy the photocopied pages. Its fame has spread so far that supporters from other clubs as far away as West Hartlepool now ask the editors for advice.

It is everything a good fanzine should be: irreverent, outspoken, rude, crude, mis-spelt, badly punctuated - and with its heart firmly rooted in the terraces. The surprise is that the brains behind it are not spot-on teenagers but two men with successful business careers.

Ed Snow, a Gloucester fan all his life, had dreamed of running a fanzine but did not have the production expertise. The catalyst was Bob Fenton, who had recently moved to the city and whose strait-laced job as senior press officer for Nuclear Electric clearly belied his anarchic tendencies.

The pair were eminently qualified as terrace critics. Neither had played much rugby beyond the sixth form and, though Fenton looks like a useful front-wing, he admits: "I played on the wing, I thought it was a bad day if I had to wash my shirt afterwards." But they knew what the Gloucester faithful wanted - and what they didn't want.

"There are a lot of professional rugby writers who get away with murder," Snow says. "They turn out sycophantic tripe to get sweet with players. What the public is getting is not what is happening in rugby. We aimed to address that by being funny, up-to-date and writing things as they really were."

Fenton adds: "We had a rough idea what we were going to do. There was a lot of anti-Will Cadding and anti-Biffy stuff, though I have to admit that the majority of the first issue was self-organized waffle."

In keeping with fanzine ethos, they did not tell the club what they were doing. And because they were not quite sure what the feedback would be, the first issue of 150 copies was anonymous. But they need not have worried. When Snow added his address in the second issue, the pair were delighted to find supporters writing in and encouraging them to continue.

The first five issues were free, but success was costing them a packet. They took the decision to sell it for 50p. "We produced 600 and sold out," Fenton recalls. "It meant we could start to pay back some of the debts we had incurred. Now they print 1,800 (against an average Gloucester following of

about 6,000) and queues form to buy a copy."

"Gloucester is quite an insular community and it's quite working class. They still look upon some players as outsiders. There is no rugby team like it, and no place with the same intensity. It's real in-your-face support, which is very intimidating," Fenton says. *Shedhead* (named after the stand where proper supporters stand) reflects this.

"People would rather buy this because we are more in touch with what they want to read," Fenton says. "The official club programme spoke to us about binding all or some of the magazine inside the official programme. What a cheek! We said no." Snow adds: "We have gone from being a minor annoyance to a thorn in their side."

So the pair continue to slam most rugby writing ("Eight years behind football, they take themselves too seriously," says Snow); their fierce rivals Bath ("More money than sense") their own club, ticket prices, the ill-planned fixture list, and racism. The decision to shun takeover moves means Snow can continue his unique programme seller's approach. "I shout Sneeze, Squat and Immendo," he admits.

Of course, when you call officials useless tossers or players a bunch of mercenaries, chances are that the odd person will get upset. "People are amazed we are not bombarded with writs," Fenton says. "So far we have only had one solicitor's letter. It was a hard decision not to run the letter and write 'Bollocks' after it."

Their closest run-in with Messrs Sue, Grabbitt and Clegg came when Simon Devereux was banged up for nine months for breaking a player's jaw. Fenton still gets enraged about it. "The charge of GBH with intent meant he went to the pitch intending to break someone's jaw. It was ridiculous. 'We even got a textbook out

of the library to read up the law

on intent, and wrote a one-page

special. It was the closest we

have come to being in contempt

of the law. We ran it through a

lawyer, who said: 'How long do

you want to go to prison for?'

We made a few changes."

That Saturday, they organised

what a lot of people were saying

privately." He adds: "I think

we are making a difference in

the way that Gloucester RFC is

reported. At the end of the day,

Shedhead is not an incitement

to riot. We just try to add a bit

of fun to Saturday afternoons."

What of their insults to

some big, aggressive men who

hit the heads off puppies for

fun?" "The players like the idea

of having terrace-level feed-

back," Fenton says. "They seem

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CRICKET: Explore the dark side of Wally Hammond and the light side of 'Dickie' Bird with David Llewellyn

Wisdom of cricketers and the Wisden of facts

There is nothing like a good mystery to fill the long hours between meals over the festive period. Before giving in to pre- and post-prandial sleep, scratch the itch of curiosity and dip into one of the most absorbing cricketing biographies to hit the shelves since David Foot's last work.

Wally Hammond, Gloucestershire and England, professional and amateur, batsman and bowler, had the lot, including an obscene amount of natural sporting talent earning him a string of records in the game. His physical fitness and good looks attracted women to him and prompted plenty of speculation about his sexual athleticism.

Yet David Foot reveals in his sensitively written biography *Wally Hammond, The Reasons Why* (Robson Books, £17.95), the figures and the feats of this cricketing legend on the field shed no light on the darker side of someone regarded by many of his contemporaries as a taciturn, uncommunicative figure, with little sense of humour, an obsession with privacy and, the

worst of all English social crimes, a slob to boot. Personal relationships did not work out, nor did business ventures and Hammond died in comparative poverty in South Africa in 1965 - leaving behind him enough rumour, innuendo and whisperings to titillate the curious.

Foot explores the bizarre circumstances surrounding the young Hammond's illness which forced him to miss the 1926 season. Was it malaria or syphilis that he contracted in the Caribbean? Was he descended from a more exotic bloodline than his Anglo-Saxon parentage suggested? Were these the determining factors in the formation of one of the enigmas of English cricket?

Foot adores the probing and analysis, attempting to unravel the gordian knot of the psyche, trying to understand the motivation of a sportsman, looking for answer that he knows are probably going to elude him, but what a riveting read all the same.

And there is not too much cricket. Hammond's private life has been carefully pieced to-

gether by Foot, himself a Somersett man so he had no real axe to grind, and the cricket has been placed gently on the back burner, simmering quietly, just a spoonful being applied by the author here and there, and only where relevant.

Foot has gone to great lengths in his research to back up his hypotheses on his subject, going so far as to quote from a medical paper on the subject of mercury as a treatment for syphilis, published in 1990, and its long-term side effects. A challenging and absorbing book, well worth the cover price.

As a contrast with the Hammond biography, the colourful Allan Lamb is anything but coy in his life story. *Allan Lamb, My Autobiography* (Collins Willow, £15.99) is so highly coloured that in fact it led to the South African-born English Test batsman being forced out of the game.

By agreeing to publish the book while still a player, Lamb was in breach of Test and County Cricket Board regulations and so he retired from active service and followed the well-

and publishing — this particular account takes a lot of beating.

It would be impossible to store every life story published, so the next best way has to be by acquiring one of the most comprehensive and authoritative biographical dictionaries on world cricket ever published. Christopher Martin-Jenkins' *World Cricketers* (Oxford University Press, £25.00) is a staggering tome, spanning cricket's Test playing A-Z - Australia to Zimbabwe.

The intention, claims the author, was "to produce readable, short biographies of every notable player or influential personality from the earliest days to present."

Martin-Jenkins, together with a knowledgeable team of writers, has certainly achieved that admirably. While appearing pricey, this represents real value for money and a worthy addition to any cricketing library.

While an autobiography is due out in the New Year, fans of the game's favourite umpire, Dickie Bird, can settle down with Brian Scovell's *Dickie - A Life* (Headline, £15.99) is an excellent distillation all of the happenings in 1996.

While the expected doyens of the cricket press box are included, there are also pieces by some up-and-comers, including the *Independent's* Adam Sztermer.

It would be foolish to discount the hardy annuals which appear every year. The superbly produced *Benson & Hedges Cricket Year* (15th edition, edited by David Lennan, Bloomsbury, £20.00) has the lot, from all over the world and in a very short time. You want to know what happened last season? Relive the memories of the NatWest Trophy final? Or find out where your man finished in the averages? This has the answers.

If B&H's masterpiece is the New Testament, *Wisden* remains the Bible of the game. It is still some four months until next year's primrose yellow-jacketed Almanack appears, but the 133rd Edition is still available at £24.50, as is Playfair's invaluable vade mecum, the 1996 *Cricket Annual*, edited by the incomparable Bill Frindall — a bargain at £4.99.

sports letters

Redgrave's greatness overlooked

From Derek Ross

Sir: The British Public are a strange lot. We certainly do not recognise a legend when we see one. In our midst we have an athlete whose endeavours and achievements will never be bettered or even matched by any of his contemporaries in this country in any sport you care to mention. Sixteen years of unparalleled success, consecutive gold medals, an Olympic champion in his own sport, and a legend in his own lifetime. Not for him the spoils of lucrative sponsorship deals; £50m contracts are the exception of family ties. But in their stead is an uncompromising commitment to hard work, a burning desire to be and remain the best, and a lifestyle of which many would be surprised, given his stature as an athlete.

One would obviously concede that Formula One motor racing is far more dangerous than rowing, but is it not also true that in rowing there is an almost total absence of good fortune? Other rowers' boats do not crash, break down or run off the track. There is no mechanical advantage of the "best boat".

There can be no justification for a decision that went to a man (Damon Hill, who won the BBC Sports Personality of the Year) whose achievements pale into insignificance when placed against an athlete whose victories over sixteen years are as unbelievable as that result. There is only one solution. When Steve Redgrave is approaching the finishing post of his fifth consecutive gold medal at the Sydney Olympics, we must ensure that Murray Walker is commenting.

Yet this colossal achievement will still fail in the eyes of the British public. The reason? Ian Botham would have reached the quarter-final at Wimbeldon.

D ROSS
Withington, Manchester

England's WISE MOVE

From Tim Craig

Sir: How wise England were not to play the Australian (rugby union) touring side, especially on last Saturday's appalling performance against Argentina.

At least we were spared the humiliating spectacle of

City target Bruce to team up with Kidd

Football

ALAN NIXON

Manchester City, who earlier this week revealed their desire to take Brian Kidd from their neighbours United as their new manager, now want United's former captain, Steve Bruce, as Kidd's No 2.

Kidd, Alex Ferguson's assistant at Manchester United, has emerged as the first choice of City's new power group, headed by Stephen Boker, and Bruce, now player-coach at Birmingham City, is seen as the ideal foil, the pair having formed a close friendship at Old Trafford.

Bruce could be tempted by a first break in management and Birmingham would let him go for around £500,000. Bruce is not guaranteed a place in

Trevor Francis's team, but he would definitely bolster struggling Manchester City on the field as well as off.

Meanwhile, City's Steve Lomas is looking for the club to reward his loyalty with a new contract as speculation has risen that the Northern Ireland midfielder is attracting interest from Wimbledon.

Anders Limpar is ready to join Francis at Birmingham. The Swedish midfielder is out of favour at Everton and Francis is keen to take Limpar on loan and then do a permanent deal at around £700,000.

Limpar's Everton colleague Paul Rideout has turned down a loan move to First Division Oldham despite being offered a lucrative bonus package. Rideout is also interesting Portsmouth and he may prefer

a move to the south, where he has spent most of his career.

Embarrassed Liverpool officials have formally apologised to Alan Sugar, the Tottenham chairman, for a newspaper ar-

ticle in which their former Spurs defender Neil Ruddock attacked Sugar's running of the club. The move is likely to save Ruddock from facing a charge of bringing the game into dis-

repute, even though the Football Association yesterday revealed it was considering what to do about Sugar's official complaint to them.

An Anfield spokesman, Ian

Cotton, said: "Liverpool had no prior knowledge of any newspaper article and the club has apologised to Mr Sugar. We take the view that articles like this do not help in the general context of football because we always try to behave with dignity."

Brian Clough could finally receive some formal recognition for his achievements at Nottingham Forest next month by being named life president of the Premiership club.

Clough will receive the of-

fer if the consortium headed by Lawrie Lewis wins the power battle at the City Ground. The group also plan to name new stands in a revamped stadium after Clough and his late former assistant, Peter Taylor. Also, a testimonial game will be staged to formally mark Clough's achievements at Forest.

Smith's chance to stake his claim

Rugby Union

Ian Smith, the Scottish flanker, has forced his way back into Gloucester's team for Saturday's Pilkington Cup fifth-round match with Leeds following months of being out of favour with the coach, Richard Hill.

Smith was dropped earlier in the season but has now been restored to the side in place of Nathan Carter, who has normally made the open-side position his own this season. However, Hill has made it clear he has selected Smith to give him a chance of staking a claim for a place in the side for the league matches.

"Nathan Carter has done nothing wrong," said Hill. "He has set a very high standard. When I had a chat to Ian last month I said I would give him opportunities to come in with the full first team and produce a performance which would help him come back into contention for selection for league games. Ian played well against Newbridge in the Anglo Welsh a couple of weeks ago and this is another chance for him to challenge Nathan."

There are three other changes in Gloucester's team from the side which last turned out for a league match. The prop Andy Deacon returns from injury to replace Phil Vickery, Don Caskie is preferred to Alastair Smales in the centre, while Mike Lloyd replaces injured Audley Lunden on the left wing.

Saracens underlined their determination to avoid a major Cup shock by deciding to name six of their internationals for the fifth-round match at Reading. Their line-up will include Michael Lynagh and Philippe Sella, guaranteeing a full-house for the mid-table Division Three side.

Dawson out as Bayfield comes back

Scrum-half Matthew Dawson, dropped by England after last season's Five Nations Championship triumph, could be out for two months.

The Northampton player has undergone keyhole surgery on the torn knee ligaments he suffered playing for England A against Argentina and will spend two weeks in plaster and then a further fortnight in a leg brace.

But there is better news for Saints' former England and British Lions lock Martin Bayfield, out of the game since last April, who has resumed full training after a pelvic injury.

Scotland lock Stewart Campbell has become the latest top player to sign a full-time contract with the Scottish Rugby Union. The move brings the number of "professional" players on the Union's books to 45.

Campbell, capped 13 times, signed for Melrose last May and it is believed it was the agreement with the Border club which made it difficult for the 24-year-old to go full-time with the SRU.

Selected top flight matches in Wales look likely to go ahead this weekend despite referees' strike action over pay, but there could still be a greatly reduced programme with the dispute still far from resolved.

James relishes crunch match at Newcastle

David James is hoping Liverpool can live up to their tag of title favourites at Newcastle on Monday after convincing wins over two Premiership strugglers, Middlesbrough and Nottingham Forest, at Anfield.

Liverpool followed up their 5-1 demolition of Middlesbrough on Saturday with Tuesday night's 4-2 win against Forest to move to the top of the table above Arsenal.

But the Gunners can regain first place if they beat Forest at the City Ground on Saturday – and James believes Liverpool need to underline their title credentials with a win at St James' Park.

Liverpool have opened up a seven-point lead over fourth-placed Newcastle, whose 2-1 defeat at Coventry on Tuesday left them without a win in five Premiership games. James is hoping the Anfield club can add to Kevin Keegan's problems.

"With Newcastle losing at Coventry it's created a bit of a gap but now we've got to go there and beat them on Monday," said James. "Nine goals in two games is good going but we're not getting carried away."

It's OK beating Middlesbrough and Forest but you've got to do it in games like Monday's at Newcastle. You've got to beat the teams that are pushing for the title as well."

James admitted that Stan Collymore had staked his claim to renew his partnership with Robbie Fowler at the expense

of Patrik Berger after two great displays against Middlesbrough and Forest.

Collymore had a hand in three of Fowler's four goals in his comeback game against Boro and on Tuesday he scored two and made another for Fowler against his former club.

"Stan's done well in the last two games. He's been given an opportunity to do his thing and he's impressed," James said.

Collymore and Fowler plundered 35 goals between them last season, making them the most prolific strike pairing in the Premiership. Liverpool's manager, Roy Evans, is hoping that Collymore can make up for lost time now that he has put his early-season problems behind him.

Collymore's double strike against Forest took his goal tally to six for the season while Fowler's lone success took his total to eighteen. At the same stage last season, Fowler had thirteen to Collymore's four.

"We know what a good partnership it can be, 35 goals between them last season doesn't lie," said Evans.

"It's a late start for Stan but, if he puts his best foot forward, who knows what can happen?"

The Nottingham Forest manager Frank Clark has the enviable task of trying to lift his side after a defeat, a loss which leaves them three points adrift at the foot of the table and without a win in sixteen games – a new record for the Premier League.

Collymore had staked his claim to renew his partnership with Robbie Fowler at the expense



The United Arab Emirates celebrate in Abu Dhabi yesterday after beating Kuwait 1-0 to earn a place in the Asian Cup final. Photograph: Reuter

Olympia Scandal for Darragh

Equestrianism

GENEVIEVE MURPHY

reports from Olympia

Paul Darragh's fortunes, which revived when he began riding horses owned by King Hussein of Jordan's daughter, hit another high note yesterday when he won the Christmas Stocking Stakes during the opening session of the Olympia Show Jumping Championships.

The Irishman was riding Scandal, an eight-year-old Australian-bred mare bought by Princess Haya in January. "She likes the name, she thought every princess should have a Scandal," Darragh said.

Darragh, who only gained a place here after winning the Volvo World Cup qualifier at Cirella on Cera 11 days ago, was certainly ready to use Scandal's turn of foot with telling effect. The mare was raced until the age of five – and was a winner on the flat – but that career ended when she refused to enter the starting stalls.

The three-day event rider Pippa Funnell teamed up with her show-jumping husband, to win the inaugural Petplan Family Pairs Relay. They might have been beaten by John Whitaker's teenagers, Louise and Robert, but they incurred an eight-second penalty for two fences down which

left them in third place. Though Pippa Funnell has been a "rosie girl" at Olympia for about eight years, this was the first time that she has competed at the show. "It was nearly as frightening as Badminton," she said. "I was terrified of letting the side down."

She was nevertheless clear on The Royalmeade Rose – as was William on Comer – to give the couple a polished victory.

Mansell keeps his options open

Motor racing

Nigel Mansell has denied that he has now retired from Formula One for good after turning down the chance to drive for Jordan-Peugeot next season.

There appeared to be no way back for Britain's 1992 world champion following his decision to reject Eddie Jordan's approach. But the 43-year-old told BBC Radio 5 Live yesterday: "I haven't retired. Other opportunities are possibly out there. I am a very patient person, a little bit older now and more mature, and I'm just going to wait and see what is round the corner."

"You never know what is round the corner. I've learnt that lesson over the last number of years. You can never predict the future."

Mansell was just 0.3sec off the pace set by Ralf Schumacher in testing last week, despite being out of a grand prix car for 19 months following his embarrassing comeback with McLaren.

There appeared to be no way back for Britain's 1992 world champion following his decision to reject Eddie Jordan's approach.

"The idea of the test was originally to have some fun, but my natural competitive instincts took over very quickly and a return to Formula One became a serious possibility. However, I quickly came to realise that my schedule would not permit me to give sufficient time to the Jordan team and their sponsors."

Mansell will now concentrate on his golf complex in Devon, where he has reduced his handicap from five to one in a year.

Table tennis
ENGLAND TEAM (European Women's League Super Division team): S. Smith, J. Smith, C. O'Farrell, C. Gittins, M. Gittins, C. O'Farrell, C. Gittins, S. Gittins, G. Gittins, N. Mazzucato, P. Vecellio.

Schools sport

An innovative scheme, already a success in secondary schools, is now set

to be adopted in primary schools late next year. The Sportsmark and Sports Gold awards were launched in secondary estates in London, Scotland, and Northern Ireland, recognising those schools which provide a quality physical education and sport programme.

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